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ABSTRACT

This publication presents findings of a nationwide study of the impact of late or uncertain funding on elementary secondary educational programs funded by the U.S. Office of Education (USOE). Emphasis of the report is on detailed documentation of the problems created by current funding flow patterns to state and local education agencies. In phase one of the study, a catalog was prepared that provides detailed information on each USOE elementary and secondary program for fiscal year 1975. A discussion of the catalog is presented in section 3, and the complete catalog is presented in the appendix. Phase two involved a nationwide telephone survey of 20 state education agencies (SEAs) and 400 local education agencies (LEAs) to obtain structured evaluations of the impact of late and uncertain funding. The survey results, which are presented in section 4, were both quantitatively and qualitatively analyzed. In phase three, site visits were conducted at 10 SEAs and 24 LEAs to conduct more detailed interviews and to review program records. These results are presented in section 5. In addition, extensive interviews were conducted with representatives of congressional committee members and representatives of professional associations in education, as well as with USOE staff members. (Author/JG)

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Final Report

A STUDY OF LATE FUNDING OF ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

Prepared for the

**U.S. OFFICE OF EDUCATION,
OFFICE OF PLANNING,
BUDGETING, AND
EVALUATION**

CONTRACT NUMBER 300-75-0211

February 1976

Prepared by

PEAT, MARWICK, MITCHELL & CO.

EA 008 126

PEAT, MARWICK, MITCHELL & CO.
1025 CONNECTICUT AVE., N. W.
WASHINGTON, D. C. 20036

February 1976

Dr. John Evans, Assistant Commissioner
Office of Planning, Budgeting and Evaluation
U.S. Office of Education
400 Maryland Avenue, S.W.
Washington, D.C. 20202

Dear Dr. Evans:

Peat, Marwick, Mitchell & Co. (PMM&Co.) is pleased to submit the final report of our project to conduct a study of the impact of late and uncertain funding on elementary and secondary educational programs funded by the U.S. Office of Education, as mandated by Section 824 of Public Law 93-380.

The attached report provides our detailed findings and recommendations, based upon the extensive telephone surveys and site visits conducted, a description of the methodology employed throughout the study, and an executive summary of the overall content of the report.

We would like to express our sincere appreciation to Mr. Murray Spitzer, who served as project officer, other members of your staff, and the personnel at the local and state educational agencies involved in the study, whose assistance, enthusiasm, cooperation, and suggestions were valuable contributions to the completion of the study and, hopefully, to its ultimate usefulness.

We appreciate the opportunity to be of continued assistance to the Office of Education.

Very truly yours,

PEAT, MARWICK, MITCHELL & CO.

Peat, Marwick, Mitchell & Co.

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I. EXECUTIVE SUMMARY

The United States Office of Education (USOE) is mandated by Section 824 of Public Law 93-380 to (1) investigate the impact of late federal funding on the program planning and administrative management of elementary and secondary educational programs in state and local education agencies, (2) determine means by which the problems of late funding can be overcome, and (3) report to the Congress on any findings and recommendations. Specifically, Section 824 states:

> Sec. 824. (a) The commissioner shall make a full and complete investigation and study to determine--
>
> (1) the extent to which late funding of Federal programs to assist elementary and secondary education handicaps local educational agencies in the effective planning of their education programs, and the extent to which program quality and achievement of program objectives is adversely affected by such late funding, and
>
> (2) means by which, through legislative or administrative action, the problem can be overcome.

This directive is the result of long-term Congressional concerns about the educational impact of late funding and such recent developments as the federal funds carry-over provision (the Tydings amendment), advance funding of educational programs, and the change in the federal fiscal year.

To assist the Office of Education in meeting this mandate, the firm of Peat, Marwick, Mitchell & Co. (PMM&Co.) was selected through a competitive bid procedure to conduct a nationwide study of the impact of late, uncertain, or fluctuating funding of USOE elementary and secondary programs. This study is intended to update, build upon, and expand the findings of previous related studies, particularly the "Study of the United States Office of Education," Report No. 1 of the Special Subcommittee on Education (Committee on Education and Labor, House of Representatives, Eighty-Ninth Congress, Second Session), and the 1967 report of the task force on timing of DHEW Appropriations for Educational Programs.

In summary, the key emphasis for this current study is a detailed documentation of the severity of the problems created by the current funding flow patterns to state and local education agencies. This final report presents the survey findings, an analysis of the results, and specific recommendations to reduce the impact of late funding. The purpose of this Executive Summary is to provide a concise description of the entire study. Supporting data and documentation are provided in the remaining sections of the report. In considering this report, it is important to recognize that the program and fiscal years studied, 1975 and 1976, represent years of significant change and a transition period to a new fiscal year, a new ESEA Title I allocation formula, and an increased emphasis on advance funding. Consequently, the findings and recommendations presented here will need to be considered in light of these changes.

METHODOLOGY

The study was conducted in three phases. During Phase 1 a federal program Catalog was prepared that lists each elementary and secondary USOE program for fiscal year 1975. The Catalog includes data on the size of the program, the range of grant awards, and the dates of key Congressional and USOE actions during the funding process. Thus the Catalog provides detailed information, by program, on when grant awards were made available to SEAs and LEAs. A detailed discussion of the Catalog is provided in Section III, and the complete Catalog is contained in Appendix A.

Phase 2 involved a nationwide telephone survey of SEAs and LEAs. Using a structured interview guide, a telephone survey was conducted of 400 LEAs and 20 SEAs, with a 50 percent LEA and 100 percent SEA response. The survey sample was selected on the basis of sampling characteristics such as pupil population and geographic location, which were developed and refined during a preliminary test of the survey instruments.

The purpose of the survey was to obtain structured evaluations of the impact of late and uncertain funding on program effectivenss, personnel administration, financial and administrative management, and community expectations. The results, which are provided in Section IV, were then both quantitatively and qualitatively analyzed.

During Phase 3, site visits were conducted with 10 SEAs and 24 LEAs, with at least one SEA and two LEAs selected from each of the 10 DHEW regions. The purpose of the site visits was to conduct expanded and more detailed interviews, review appropriate financial and program records, and develop narrative examples of late funding problems. These results are provided in Section V of the report.

In addition to these three phases, extensive interviews were conducted throughout the study with representatives of appropriate Congressional committee staff, the Council of Chief State School Officers, the Association of School Business Officials, and similar groups, as well as USOE programmatic and fiscal personnel.

MAJOR FINDINGS

Not surprisingly, almost all the personnel interviewed were concerned with the administrative and programmatic problems created by late or uncertain funding. Even though the subject has been extensively discussed for many years, those interviewed considered this study necessary because the problems have yet to be corrected. In particular, the major problems identified during the study were the following:

- SEAs and LEAs are generally unable to plan effectively for federal programs, and their coordination with nonfederal programs, because of the late notification of program and funding level approvals. The school year calendar is generally August or September to May or June. Planning--which includes such activities as hiring personnel, developing pupil schedules, purchasing books and other materials, and budgeting appropriate fiscal resources--takes place in the prior winter or spring. Because of late or uncertain funding, however, this planning often takes place in a vacuum or is so truncated that it is ineffective.

- Uncertain or late funding severely affects the personnel administration functions, particularly the recruiting, hiring, retention, and morale of experienced professionals. This, along with its effect on the planning function, was judged the "most severe" impact of late funding. Funding delays, uncertainties, and changes reduce the effectiveness of this key resource, and, in so doing, adversely affect program performance. Indeed, although the intent of the Congress and the Office of Education is to supplement the educational resources available for specific pupil populations through direct federal assistance, administrative and Congressional delays often significantly limit the value of the assistance.

- Late or uncertain funding impedes good financial management by fragmenting the budgeting process, creating substantial accounting and reporting difficulties, and restricting the purchasing function. State and local education agency finance personnel are unable to meaningfully prepare budgets and plan the use of financial resources without a firm knowledge of the level of federal funding. Only estimates are incorporated into the budget preparation and approval process of the prior winter and spring, estimates which may vary substantially from the actual grant awards. Without concrete information, effective planning of the use of available resources is severely hindered.

- The carry-over and hold-harmless provisions have significantly aided SEAs and LEAs in overcoming the problems created by late funding, and advance funding is viewed as a further aid. The administrative ability to carry over federal funds for 12 months, authorized by Congressional legislation, has been a valuable management tool for local school districts. Although originally intended to counteract an unusually late Congressional elementary and secondary appropriation act, the carry-over provision has now become a major management device that state and local education agencies use to respond to their planning, budgeting, and recruiting needs.

- Although the degree of the problem may vary among programs, late and uncertain funding and its direct impact on programmatic and administrative management reduce the effectiveness of the program.

MAJOR RECOMMENDATIONS

On the basis of the telephone and site visit interviews, a series of recommendations was developed which will reduce, but not necessarily eliminate, the problem of late funding. Complete elimination of the problems will require significant changes and coordination at the SEA and LEA level which are not realistically possible at this time. In particular, PMM&Co.'s major recommendations, which are discussed further in Section VI, are briefly described below.

Continue and Expand Advance and Forward Funding

PMM&Co. recommends that advance and forward funding be continued and expanded by implementing a specific schedule for processing grant awards to assure notification no later than the April preceding the beginning of the appropriation year or grant period. (Indeed, if possible, earlier notification, by February or March, will improve federal program administration even more.) Implementation of this recommendation will provide the Office of Education sufficient time to:

- analyze program plans and proposals and process grant awards;
- increase the planning period for the state and local program and administrative personnel;
- permit integration and coordination of the federally funded program with ongoing state and local programs; and
- respond to the budgeting, planning, and personnel administration cycles of local school districts. Further, in achieving these ends, the quality of program performance and effectiveness will be directly strengthened.

Encourage LEA Use of the ESEA Title I "Hold-Harmless" Provision

LEAs should be encouraged to use the ESEA Title I "hold-harmless" provision to assure that this provision meets the intended objective of strengthening the local planning process. Both the site visits and telephone survey indicated that many districts simply do not recognize--or have faith in--the validity of the existing 85 percent hold-harmless provision. Rather than regularly using this guideline as the primary basis on which to plan or to begin implementing programs, LEAs continue to defer substantial planning actions until well after the time frame during which to plan or to begin implementing programs, LEAs continue to defer substantial planning actions until well after the time frame during which non-federal program planning occurs. We, therefore, recommend that an additional study be made of the actual impact of the hold-harmless regulations at the local school district level, and on the basis of these findings, revisions be made to guidelines, regulations, and policies which restrict the use of the hold-harmless provisions.

Maintain Carry-Over Provisions but with Administrative Guidelines

PMM&Co. recommends that the carry-over provisions be maintained, but with specific administrative guidelines and, perhaps, restrictions.

Our study findings strongly indicate that the ability to carry over program funds from one fiscal year is a valuable program and administrative technique that should be continued. This provision provides the management flexibility necessary for good planning, budgeting, and personnel administration, as well as an automatic cushion to compensate for late appropriations or funding decisions. On the other hand, the carry-over provisions--which may result in a 24- or 27-month grant period--have the potential for abuse. State and local agencies can delay program performance and the use of funds unnecessarily rather than provide the educational services when the Congress and the Office of Education intends. Consequently, PMM&Co. recommends that the Congress and the Office of Education consider the possibility of limiting the carry-over period to not more than six months after the end of the intended fiscal year or grant period, whichever comes first. In this way, the necessary managerial flexibility is maintained but at the same time controlled within reasonable limits.

Minimize Multi-Year Funding

PMM&Co. recommends that multi-year funding be minimized, particularly if advance funding and carry-over funds are continued. Our survey indicated that additional lead time through multi-year funding of programs is unnecessary, if the carry-over provision is continued and unusually late recessions are avoided. Further, multi-year funding beyond the advance funding concept significantly alters the degree of Congressional oversight and program review by requiring Congress to consider program requirements three or more years in advance. In addition, multi-year funding reduces both Congressional and administration flexibility to respond to new requirements or situations.

Revise the ESEA Title I Data Collection Requirements

The ESEA Title I data collection requirements should be revised to coincide with the advance-funding provision. It is our understanding that the Office of Education has prepared and submitted to the Congress technical amendments authorizing use of the prior year's socioeconomic data in calculating the distribution of ESEA Title I monies. To assure that the full potential benefits of advance funding of the ESEA program are obtained, we recommend that the Office of Education seek rapid approval of the necessary legislation and immediate implementation of the revised data collection process.

II. METHODOLOGY

The purpose of this section is to briefly describe the overall methodology used in conducting the late funding study. The study was divided into the following seven tasks:

- preparation of the Catalog of USOE-Funded Elementary and Secondary Education Programs;
- development of the telephone interview guides;
- testing of the telephone interview guides;
- conduct of the telephone survey;
- conduct of the site visits and interviews;
- analysis of survey results; and
- preparation of the final report.

PREPARATION OF THE CATALOG

This first task involved the development of an annotated listing for fiscal year 1975 of elementary and secondary education programs administered by the USOE, which has been entitled the Catalog of USOE-Funded Elementary and Secondary Education Programs.

In addition to basic identification and program description information, on each program, the Catalog provides summary statistical and financial data, such as the number of SEAs and LEAs receiving awards, range and average size of grant awards, and "key action" dates for the administrative activities involved in processing grant documents. The data were compiled from official government publications, the program and budget offices at the USOE, and interviews with USOE program directors and other USOE personnel.

The primary purpose of the Catalog was to enable contractor project personnel to refer quickly to a particular program during the telephone and on-site interviews and to provide basic funding flow and timing information with respect to all federally funded programs. The Catalog, which is provided in Appendix A, is discussed in Section III of this document.

DEVELOPMENT OF THE TELEPHONE INTERVIEW GUIDES

During this task, structured questionnaires were designed for conducting the telephone and site visit interviews with personnel of state and local education agencies. The survey instruments included both factual questions, such as USOE fund allocations or awards in 1974-75, and open-ended questions, such as examples of severe problems created by delays in notification of federal program funds. Separate instruments were prepared for SEAs and LEAs to reflect their different perspectives and responsibilities, although both instruments asked the same basic questions. Samples of these two documents are included as Appendix B.

TESTING OF THE TELEPHONE INTERVIEW GUIDES

Three state education agencies and five local education agencies were interviewed, with the concurrence of the USOE project offices, before finalizing and submitting the survey instruments for OMB clearance. During these interviews, a more comprehensive perspective of the specific difficulties caused by late funding was obtained. Those interviewed also critiqued the draft instruments and indicated whether the questions could be reasonably answered by education agency personnel within a minimal amount of time. Findings from these discussions were then incorporated into the final instruments.

CONDUCT OF THE TELEPHONE SURVEY

After receiving OMB clearance of the survey instruments, and in coordination with the Committee on Education Information Systems (CEIS) of the Council of Chief State School Officers (CCSSO), letters were mailed to 20 state education agencies and 400 local education agencies (see Figures II-1, II-2, and II-3). These letters described the study, invited the participation of the agency in the study, and requested the name of a knowledgeable official who could be interviewed by telephone. A detailed description of the sampling process and the telephone survey are presented in Section IV of this report.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION
WASHINGTON, D.C. 20202

July 7, 1975

In response to Section 824 of Public Law 93-380, the U.S. Commissioner of Education is required to prepare a report to Congress on the impact of late Federal funding on the operations of both State educational agencies (State departments of education) and local educational agencies (school districts).

Specifically, the scope of the Commissioner's report is to evaluate the extent of the problems created by late, uncertain, or fluctuating funding of elementary and secondary Federal educational programs in such areas as staff recruiting, morale, and retention; program planning and evaluation; and fiscal planning and control. On the basis of these findings, the Commissioner will identify and recommend corrective actions in his report to the Congress.

Peat, Marwick, Mitchell & Co. (PMM&Co.), an accounting and management consulting firm, has been asked by the U.S. Office of Education to assist in the study, which is being coordinated by the Office of Planning, Budgeting, and Evaluation.

A major component of the study is a survey--by telephone and site visit--of approximately 400 school districts and 20 State departments of education, in order to document the nature and extent of the problems created by late Federal educational program funding. This sample is being selected randomly but with provisions to provide for a representative array of school districts and states by such factors as geography, size, amounts of Federal funds, and type of programs.

FIGURE II-1: LETTER TO SEAs IN TELEPHONE SURVEY

For the purposes of the state aspects of the study, we would like to have our contractors, PMM&Co., contact you--or your designee--by telephone to ask a series of questions related to the problems created by late Federal funding. On the basis of the telephone responses, a limited number of States (and local districts) will be selected for site visits to document the problems further.

The telephone interviews will probably take 20 to 30 minutes. In most cases either yourself, your chief fiscal officer or your Federal programs coordinator, or all three, will have to respond to specific questions.

To further reduce the time required during the telephone interviews, we are enclosing a copy of the questionnaire which PMM&Co. will be using, to enable you and your staff to gather data or answer the questions in advance of the telephone call, should you wish.

Consequently, in order to assure your State's participation in this most important study, we would appreciate your completing the stamped and self-addressed postcard, which will identify the name and telephone number of the official you believe most appropriate for us to contact, as well as the most convenient time of day to do so.

Should you have any questions regarding the study, please feel free to call either the Project Officer for the U.S. Office of Education, Mr. Murray Spitzer of my office, whose telephone number is (202) 245-8381, or the PMM&Co. Project Director, Mr. Joseph A. Perkins, Jr., at (202) 223-9525.

Both the Commissioner of Education and Peat, Marwick, Mitchell & Co. appreciate, in advance, your response and willingness to participate.

Very truly yours,

John W. Evans, Assistant Commissioner
Office of Planning, Budgeting, and
Evaluation

JWE:ecm

1 Encl.

FIGURE II-1: (CONTINUED)

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION
WASHINGTON, D.C. 20202

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FIGURE II-2: LETTER TO SEAs NOT IN TELEPHONE SURVEY

We would like to select local school districts within your state to participate in the study. A listing of the local districts in your state that we propose to include is provided in Attachment A.

For your information, we are enclosing a copy of the questionnaire which PMM&Co. will be using. In most cases the telephone interviews will take no more than 30 minutes.

Consequently, we will be contacting the districts identified in the attachment to this letter. Should you have any questions regarding the study, please feel free to contact the Project Officer for the U.S. Office of Education, Mr. Murray Spitzer of my office, whose telephone number is (202) 245-8381; or the PMM&Co. Project Director, Mr. Joseph A. Perkins, Jr., at (202) 223-9525.

Both the Commissioner of Education and Peat, Marwick, Mitchell & Co. appreciate, in advance, your response and willingness to participate.

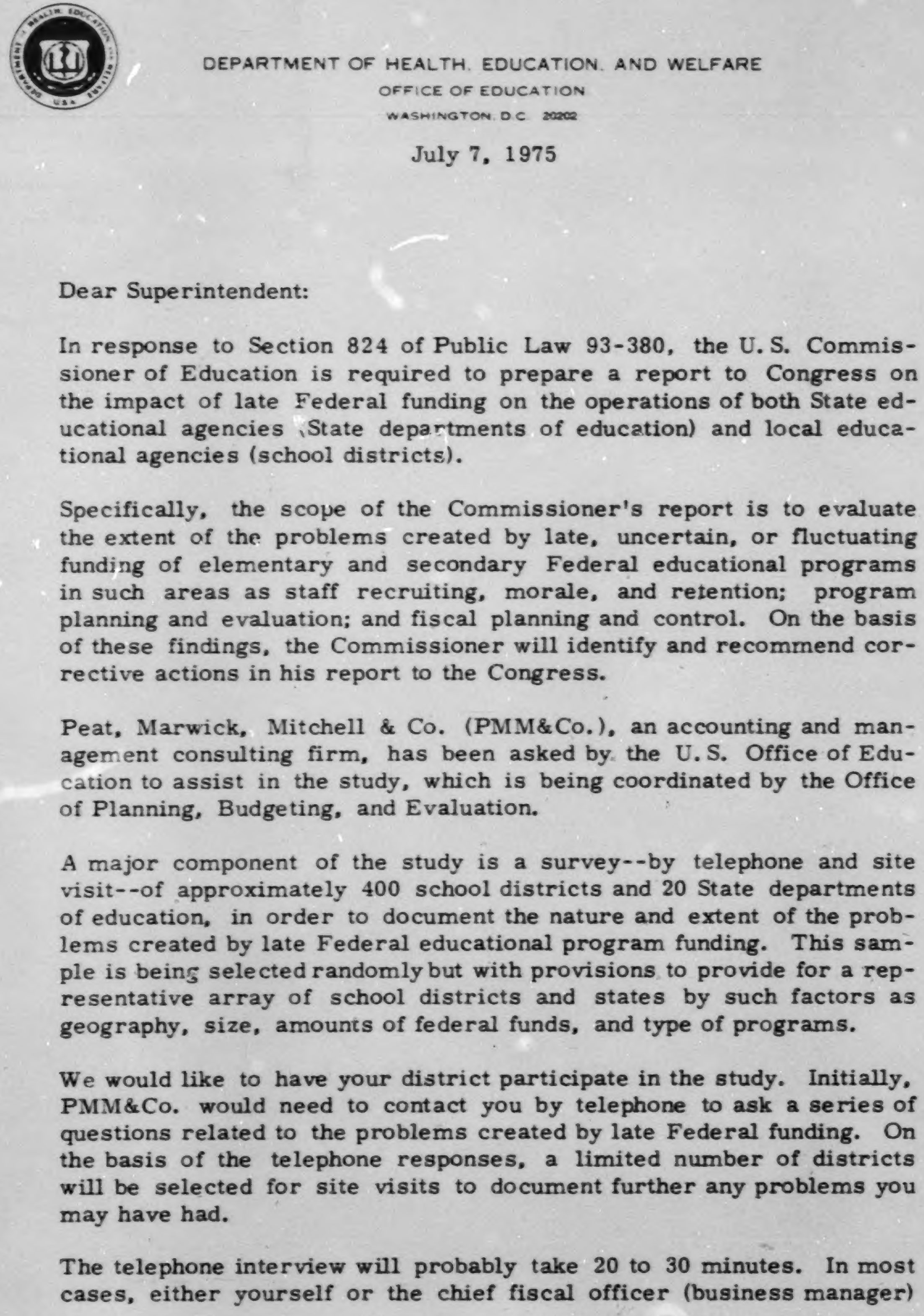
Very truly yours,

John W. Evans, Assistant Commissioner
Office of Planning, Budgeting, and
Evaluation

JWE:cem

1 Encl.

FIGURE II-2: (CONTINUED)



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION
WASHINGTON, D.C. 20202

July 7, 1975

Dear Superintendent:

In response to Section 824 of Public Law 93-380, the U.S. Commissioner of Education is required to prepare a report to Congress on the impact of late Federal funding on the operations of both State educational agencies (State departments of education) and local educational agencies (school districts).

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A major component of the study is a survey--by telephone and site visit--of approximately 400 school districts and 20 State departments of education, in order to document the nature and extent of the problems created by late Federal educational program funding. This sample is being selected randomly but with provisions to provide for a representative array of school districts and states by such factors as geography, size, amounts of federal funds, and type of programs.

We would like to have your district participate in the study. Initially, PMM&Co. would need to contact you by telephone to ask a series of questions related to the problems created by late Federal funding. On the basis of the telephone responses, a limited number of districts will be selected for site visits to document further any problems you may have had.

The telephone interview will probably take 20 to 30 minutes. In most cases, either yourself or the chief fiscal officer (business manager)

FIGURE II-3: LETTER TO LEAs IN TELEPHONE SURVEY

of your school district will be the most appropriate person to be contacted, although in some cases he might subsequently refer us to some other person (for example, the person responsible for Federal program coordination).

To further reduce the time required during the telephone interview, we are enclosing a copy of the questionnaire which will be used, to enable you to gather data or answer the questions in advance of the telephone call, should you wish. The development of the questionnaire has been coordinated with the Committee on Evaluation and Information Systems of the Council of Chief State School Officers.

Consequently, in order to assure your district's participation in this most important study, we would appreciate your completing the enclosed self-addressed postcard, which will identify the name and telephone number of the official you believe most appropriate to contact, as well as the most convenient time of day to do so.

Should you have any questions regarding the study, please feel free to call either the Project Officer for the U.S. Office of Education, Mr. Murray Spitzer of my office, whose telephone number is (202) 245-8381, or the PMM&Co. Project Director, Mr. Joseph A. Perkins, Jr., at (202) 223-9525.

Both the Commissioner of Education and Peat, Marwick, Mitchell & Co. appreciate, in advance, both your response and willingness to participate.

Sincerely,

John W. Evans

John W. Evans, Assistant Commissioner
Office of Planning, Budgeting, and
Evaluation

JWE:cem

FIGURE II-3: (CONTINUED)

CONDUCT OF THE SITE VISITS AND INTERVIEWS

After completing the telephone survey, ten of the SEAs and 24 of the LEAs interviewed by telephone were selected for follow-up site visits by a member of the project team. These visits provided additional documentation of the problems, concerns, and potential recommendations identified during the telephone interviews. At the same time, they provided the opportunity to interview additional education agency program and fiscal personnel. The results of these interviews are presented in Section V of this report.

In addition to the on-site interviews, numerous interviews were conducted throughout the course of the study with a wide spectrum of individuals and organizations, including:

- USOE program officers;
- USOE administrative and management personnel;
- Congressional staff personnel; and
- major educator organizations (Council of Chief State School Officers, National Federation of Urban/Suburban School Districts, etc.).

ANALYSIS OF SURVEY RESULTS

Telephone Survey Results

After completing the telephone survey, the data collected were tabulated and analyzed to identify the major problems and the causes of these problems. The results are presented in Section IV of this report.

Site Visit Results

The documentation gathered during the site visits was also reviewed for the similarities and the differences of the problems and impacts of late federal funding on the SEAs and LEAs, the possible reasons for the similarities and differences, and the administrative techniques, policies, and procedures, if any, developed by the SEAs and LEAs in response to those problems and impacts. These findings are presented in Section V of this report.

Conclusions and Recommendations

Finally, the telephone survey and site visit data and analytical results were jointly reviewed to develop overall findings, conclusions, and recommendations, which are provided in Section VI of this report.

PREPARATION OF THE FINAL REPORT

The final task was to draft the final report, review the draft with appropriate USOE personnel, make any necessary revisions, and submit this final report to the USOE.

III. CATALOG

An initial task of the late funding study was to prepare an annotated listing and description of the USOE elementary and secondary education programs from which state or local education agencies directly or indirectly could receive funds during fiscal year 1975.

The purpose of this Catalog was to provide a reference document for conducting the telephone interviews and site visits: the program descriptions and funding data provided a condensed overview of any program which an SEA or LEA chose to discuss. The Catalog also provided the basis for analyzing the timing of key funding actions for fiscal year 1975 by the Federal Government which affected state and local education agencies. As an indication of its potential value, several state and local federal program administrators requested copies of the Catalog during the site visits.

The Catalog was compiled from the best available USOE data as of approximately May 30, 1975.

The remainder of this section discusses:

- the methodology used to prepare the Catalog;
- observations made while preparing the Catalog; and
- the format of the Catalog, which provides a user guide to its contents.

METHODOLOGY

The Catalog was compiled from sources at the U.S. Office of Education. An initial draft of the catalog was prepared from a review of the documents enumerated in Figure III-1, which provided valuable data about the program titles, objectives, funding recipients, type of funding, and funding for fiscal year 1975.

After completing the initial draft of the Catalog, discussions were held with personnel in budget and programmatic units of USOE listed in Figure III-2. These discussions were held to verify the data contained in the initial draft of the Catalog and to receive data not included in the documents reviewed.

Catalog of Federal Education Assistance Programs - 1974 (CFEAP)

Justifications of Appropriation Estimates for Committee on Appropriations, Fiscal Year 1976

Fiscal Year 1976 Appropriation History

Joint Resolutions Making Continuing Appropriations for Fiscal Year 1975

Acts Making Appropriations for Fiscal Year 1975

A Compilation of Federal Education Laws, as Amended Through December 31, 1974

Community Services Act of 1974

Budget Files of the USOE Budget Division

FIGURE III-1: PRIMARY DOCUMENTS USED TO COMPILE CATALOG

BUREAU OF EDUCATION FOR THE HANDICAPPED

- Division of Innovation and Development
- Division of Assistance to States
- Division of Media Services
- Division of Personnel Preparation

BUREAU OF OCCUPATIONAL AND ADULT EDUCATION

- Division of Vocational and Technical Education
- Division of Research and Demonstration
- Division of Adult Education

OFFICE OF PLANNING, BUDGETING AND EVALUATION

- Division of Planning and Budgeting

BUREAU OF SCHOOL SYSTEMS

- Division of Education for the Disadvantaged
- Division of School Assistance in Federally Affected Areas

OFFICE OF INDIAN EDUCATION

OFFICE OF BILINGUAL EDUCATION

FIGURE III-2: USOE UNITS INTERVIEWED

OBSERVATIONS

The Catalog provided the basis for several key observations about the timing of federal funding:

- Federal funds for the first semester of the 1974-75 academic year were from Continuing Resolutions.
- Appropriations for most programs were approved in December 1974.
- For most programs, final USOE allotment advices were issued during either February, March, or April of 1975.
- Most formula-funded programs received grant award revision during the Spring of 1975.
- For many discretionary programs, grant awards had not been issued as of approximately May 30, 1975.

CATALOG FORMAT

The USOE-funded elementary and secondary education programs are listed in ascending Catalog of Federal Education Assistance Programs (CFEAP) sequence number. The Catalog contains three major segments: (1) summary background narrative, (2) statistical data, and (3) key dates. The background narrative provides a general introduction to the programs, including their overall objective and administrative units.

The statistical data illustrate two general characteristics of the fiscal year 1975 funding pattern for each program. The first is the relative amount of funding at the federal and recipient levels. The second is the relative pervasiveness of the program among state and local education agencies. Whenever possible, actual amounts were obtained from USOE program officers. For all others, the data represent the best available USOE estimates as of May 30, 1975. (In some cases where the program was targeted at post-secondary programs as well as elementary and secondary programs, the data may reflect the combined statistics.) The key dates segment of the catalog provides the dates on which selected fiscal year 1975 funding actions were taken by the Federal Government, through approximately May 30, 1975.

The Catalog is contained in Appendix A. Figure III-3 is a sample page of the Catalog. The following provides a brief description of each Catalog column.

CATALOG OF FED. ED. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	F (S

FLOW E KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT ADVICE		GRANT AWARD NOTIFICATION DATE(S)
					HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	

FIGURE III-3: SAMPLE OF CATALOG

The following columns comprise the summary background narrative:

- Catalog of Federal Education Assistance Program (CFEAP) No. provides a means of locating additional information about the program and its administration, which is contained in the CFEAP. The Catalog is sequenced by this number in ascending order.

- Program Name provides the program name as it appears in the CFEAP, and educators and education administrators may commonly refer to the program by this name.

- Legislative Authorization cites the federal legislation which authorized the program. The Catalog presents the short title where options exist; for example, Title VII of the Elementary and Secondary Education Act of 1965 is entitled the Bilingual Education Act in the Catalog. Educators and education administrators may commonly refer to the program by this citation.

- Programmatic Responsibility identifies the USOE unit that administers the program.

- Type of Assistance indicates whether the USOE awards are determined by a formula or discretionary (i.e., competitive) procedure. These terms are defined in Exhibit 1 of the Catalog.

- Major Program Objectives presents a condensed overview of the legislative objective of the program.

- Funding Flow portrays the flow of funds from the USOE (either Washington, D.C., or DHEW regional office) to the recipients of the funds as defined in the legislative authorization. The funding flow key is contained in Exhibit 2 of the Catalog.

- Administered By identifies the recipient in the funding flow who has direct responsibility to the USOE for the administration of the program.

The following columns comprise the statistical data:

- No. of SEAs presents the number of state education agencies which received program funding from the fiscal year

1975 appropriation. (For some programs, this number reprsents the best available estimate as of approximately May 30, 1975.)

- No. of LEAs presents the number of local education agencies which received program funding from the fiscal year 1975 appropriation. (For some programs, this number represents the best available estimate as of approximately May 30, 1975.)

- Total FY 1975 Appropriation presents the fiscal year 1975 appropriation, if any, for the program.

- Range of USOE Awards is divided into two subcolumns, Highest and Lowest, which present the best available data as of approximately May 30, 1975, on the highest and lowest individual awards issued or to be issued by the USOE.

- Average USOE Award represents the average award issued by the USOE from the fiscal year 1975 appropriation, based on the best available data on the total number of individual awards issued or to be issued as of approximately May 30, 1975.

The following columns comprise the key dates listed in the Catalog:

- Appropriation Date is the approval date, if any, of the act making program appropriations for fiscal year 1975. The appropriation dates are cross-referenced to the Public Law numbers in Exhibit 3 of the Catalog.

- Continuing Resolution Date(s) is the approval date(s), if any, of a joint resolution(s) making continuing program appropriations for fiscal year 1975. The Continuing Resolution dates are cross-referenced to the Public Law numbers in Exhibit 3 of the Catalog.

- USOE Allotment Advice is divided into two parts:

  - Date is the date or dates, if any, of the allotment advice from the USOE Budget Division to the USOE unit with programmatic responsibility for the program. Awards for a program may only be issued against funds made available in an allotment advice.

- For Period July 1, 1974 to indicates the last date on which the allocated funds could be obligated by the USOE.

- Grant Award Notification Date(s) indicates the principal months, through May 1975, in which awards were issued by USOE against fiscal year 1975 appropriations.

Explanations of missing or incomplete data are provided in the notes to the Catalog.

IV. THE TELEPHONE SURVEY

Two key tasks of the late funding study were the telephone interviews of state and local education agency personnel and the analysis of the responses during those interviews. The interviews and analysis highlighted the major problems created by late federal funding of USOE elementary and secondary education programs: problems related to hiring, purchasing, budgeting, program planning, and program implementation. They also provided the basis for selecting those agencies which were subsequently site visited and for determining the critical areas to be reviewed during the site visits.

The tabulation and analysis sections are oriented toward the local educational agency interviews since (1) the LEAs are the ultimate recipients of most USOE program funds and deliver the educational services and (2) the SEA interviews were supportive of the comments made by the LEAs.

SAMPLE OF SEAs

The 20 state education agencies invited to participate in the study were selected on the basis of criteria such as:

- the approximate total amount of USOE program funds received;
- the SEA pupil population;
- the major demographic characteristics; and
- various SEA organizational and administrative structures.

In addition, each DHEW region was represented by at least one SEA.

Telephone interviews were conducted with each of the 20 SEAs. These SEAs were distributed among the 10 DHEW regions as indicated in the following table.

DHEW Region	SEAs Sampled	Percentage of SEAs Sampled
I	2	10
II	1	5
III	3	15
IV	3	15
V	2	10
VI	2	10
VII	2	10
VIII	2	10
IX	2	10
X	1	5
Total	20	100

SAMPLE OF LEAs

A sample of 400 local education agencies was selected for the study. The LEAs were selected using the same criteria as for the SEAs, with some modifications. First, at least one LEA was selected from each of the fifty states. Second, the sample was weighted towards LEAs with the largest pupil populations, as shown below:

Number of Pupils in LEA	Percentage of Pupils in U.S.	Percentage of Category Sampled
100,000 or over	14	100
50,000 to 99,999	8	50
25,000 to 49,999	7	25
Under 25,000	71	2

Of the 400 LEAs invited to participate in the study, 205 agreed to participate, which represented 85 percent of the LEAs willing to participate and 51 percent of the sample. This sample size provided a cross-section of (1) problems associated with late funding and (2) the potential impact of possible alternative funding strategies and appeared representative.

Table IV-1 shows by district size (i.e., pupil population) and Table IV-2 by DHEW Region the distribution of the LEAs in the nation, in the sample, and in the completed interviews.

TABLE IV-1

LOCAL EDUCATION AGENCIES BY DISTRICT SIZE

DISTRICT SIZE	LEAs IN NATION		LEAs SAMPLED		LEA TELEPHONE INTERVIEWS	
	No.	Percent	No.	Percent	No.	Percent
100,000 and over	26	0.2	26	6	17	8
50,000 to 99,999	51	0.3	26	6	20	10
25,000 to 49,999	110	0.7	28	8	22	11
Under 25,000	16,151	98.8	320	80	146	71
TOTALS	16,338	100.0	400	100	205	100

TABLE IV-2

LOCAL EDUCATION AGENCIES BY DHEW REGION

DHEW REGION	LEAs IN NATION		LEAs SAMPLED		LEA TELEPHONE INTERVIEWS	
	No.	Percent	No.	Percent	No.	Percent
I	1,157	7	43	11	22	11
II	1,320	8	45	11	14	7
III	747	5	46	11	24	12
IV	1,111	7	51	13	32	15
V	3,499	21	68	17	29	14
VI	2,423	15	45	11	26	13
VII	2,520	15	22	6	14	7
VIII	1,424	9	19	5	10	5
IX	1,340	8	41	10	21	10
X	797	5	20	5	13	6
TOTALS	16,338	100	400	100	205	100

BASIS FOR ANALYSIS

Two parts of the Telephone Interview Guide (see Section II, "Methodology") requested all LEAs to use one of three predefined terms in their response. Therefore, these two parts, the Initiation of Activities and the Evaluation of Impact, readily lend themselves to quantitative analysis.

At the outset of the study, three key LEA characteristics were identified which could affect the impact of late federal funding on an LEA--the pupil population, the percentage of operating funds represented by USOE funds, and the geographic location.

The responses regarding the Initiation of Activities and the Evaluation of Impact were analyzed using these three characteristics of the LEAs. The following sections discuss how these characteristics affect, if at all, the impact of late federal funding on LEAs.

TABULATION OF SURVEY RESULTS

The quantitative analysis of the impact on LEAs of late federal funding of USOE elementary and secondary education programs has been divided into the following five components:

- Initiation of Activities.
- Evaluation of Impact:
  - curriculum and program planning and implementation;
  - financial management;
  - the community; and
  - data collection requirements.

Initiation of Activities

Part IV of the Telephone Interview Guide, entitled Initiation of Activities, was designed to ascertain when the LEA performed five actions in relation to their notification of federal funding (see Figure

IV-1). These actions were considered to be critical steps in an educational program:

- curriculum planning
- budget planning;
- hiring;
- purchasing; and
- program implementation.

The suggested responses were:

- all actions prior to notification;
- limitations based upon anticipated funding; and
- no actions until final approval and allocation.

Based upon prior discussion and agreement with the USOE, all responses for the ESEA Title I (Title I) program were tabulated and summarized. This program was selected for specific analysis because it (1) was funded in virtually every LEA, (2) was the most significant program in terms of absolute dollars and number of participating pupils in the LEA, and (3) comprised approximately 50 percent of the fiscal year 1975 USOE appropriations for elementary and secondary education. (Although data from other programs were not tabulated and summarized to this level of detail, it was clear that the general conclusions reached would be applicable to almost every other categorical program.) The tabulation of the responses of the interviewed LEAs is provided in Table IV-3.

These percentages indicate that:

- The overwhelming majority of the LEAs planned the curriculum and budget for Title I before receipt of final approval and allocation.
- Personnel are hired only after a funding level is known, with one-third of the LEAs hiring only after receipt of final approval and allocation.
- Program implementation is delayed until a funding level is known.

IV. INITIATION OF ACTIVITIES

Often school districts may initiate activities with respect to a Federally funded program - even before final notification of grant approval or allocation - or before notification of the actual amount to be received (as in Title I). For each major program previously identified in II-C, please describe which, if any, of the following administrative actions occur and when they occurred according to the following key:

Key:
1. All actions prior to notification.
2. Limited actions based upon anticipated funding.
3. No actions taken until final approval and allocation.

Program	Curriculum Planning	Budget Planning	Hiring	Purchasing	Program Implementation
ESEA Title I					

FIGURE IV-1: PART IV OF THE TELEPHONE INTERVIEW GUIDE

TABLE IV-3

INITIATION OF ACTIVITIES FOR ESEA TITLE I - RESPONSE PERCENTAGES FOR ALL LEAs

ACTIVITIES	PERCENTAGE
CURRICULUM PLANNING	
All Actions Prior to Notification	67
Limited Actions Based Upon Anticipated Funding	32
No Actions Until Final Approval and Allocation	1
BUDGET PLANNING	
All Actions Prior to Notification	42
Limited Actions Based Upon Anticipated Funding	55
No Actions Until Final Approval and Allocation	3
HIRING	
All Actions Prior to Notification	16
Limited Actions Based Upon Anticipated Funding	50
No Actions Until Final Approval and Allocation	34
PURCHASING	
All Actions Prior to Notification	7
Limited Actions Based Upon Anticipated Funding	28
No Actions Until Final Approval and Allocation	65
PROGRAM IMPLEMENTATION	
All Actions Prior to Notification	12
Limited Actions Based Upon Anticipated Funding	37
No Actions Until Final Approval and Allocation	51
NUMBER OF RESPONSIVE LEAs	198
NUMBER OF NON-RESPONSIVE LEAs	7
NUMBER OF LEAs INTERVIEWED	205
RESPONSE PERCENTAGE	97%

- Two-thirds of the LEAs do not purchase supplies until after the final approval and allocation is received.

The tabulation of the responses by district characteristics showed these trends to be consistent, although some differences in magnitude may exist.

The response percentages by school district pupil population are presented in Table IV-4. The timing of curriculum planning or purchasing actions was relatively consistent among LEAs of all sizes. LEAs with 50,000 or more pupils appeared more inclined to delay budget planning until an anticipated funding level was known, while smaller districts were more inclined to plan budgets before a funding level was known. Also, larger districts were more inclined to delay hiring personnel until the final approval and allocation had been received. However, LEAs with fewer than 25,000 pupils were the only group in which less than 50 percent delayed program implementation until the final approval and allocation was received.

Table IV-5 shows responses related to the relative percentages of LEA operating funds represented by USOE funds for fiscal year 1975.

Three-fourths of the LEAs with less than 10.0 percent USOE funding did all curriculum planning actions prior to notification and a majority of the LEAs with 10.0 percent or more USOE funding limited themselves to selected activities based upon anticipated funding. The timing of budget planning was relatively consistent among all LEAs: most did limited hiring based upon anticipated funding; however, LEAs with 5.0 to 14.9 percent funding were more inclined to hire only after final approval and allocation. LEAs of 5.0 to 9.9 percent were more inclined to delay purchasing until receipt of final approval and allocation. LEAs with less than 15.0 percent funding were more inclined to delay program implementation as their USOE funding percentage increased; however, half of the LEAs with 15.0 to 19.9 percent implemented programs based upon anticipated funding.

The response percentages by the DHEW region in which the LEAs are located are provided in Table IV-6. Several variations exist in the response pattern. The most significant variations are that the LEAs in Region II are clearly more inclined to hire and Regions II and III more inclined to implement programs before receipt of final approval and allocation.

TABLE IV-4

INITIATION OF ACTIVITIES FOR ESEA TITLE I - RESPONSE PERCENTAGES BY DISTRICT SIZE

ACTIVITIES	ALL LEAs	DISTRICT SIZE			
		100,000 and Over	50,000 to 99,999	25,000 to 49,999	Under 25,000
CURRICULUM PLANNING					
All Actions Prior to Notification	67%	65%	60%	68%	68%
Limited Actions Based Upon Anticipated Funding	32	35	40	32	31
No Actions Until Final Approval and Allocation	1	-	-	-	1
BUDGET PLANNING					
All Actions Prior to Notification	42	35	35	59	41
Limited Actions Based Upon Anticipated Funding	55	65	60	41	55
No Actions Until Final Approval and Allocation	3	-	5	-	4
HIRING					
All Actions Prior to Notification	16	-	15	18	17
Limited Actions Based Upon Anticipated Funding	50	41	50	41	53
No Actions Until Final Approval and Allocation	34	59	35	41	30
PURCHASING					
All Actions Prior to Notification	7	-	10	14	6
Limited Actions Based Upon Anticipated Funding	28	29	15	18	31
No Actions Until Final Approval and Allocation	65	71	75	68	63
PROGRAM IMPLEMENTATION					
All Actions Prior to Notification	12	6	20	14	12
Limited Actions Based Upon Anticipated Funding	37	29	30	27	41
No Actions Until Final Approval and Allocation	51	65	50	59	47
NUMBER OF RESPONSIVE LEAs	198	17	20	22	139
NUMBER OF NON-RESPONSIVE LEAs	7	-	-	-	7
NUMBER OF LEAs INTERVIEWED	205	17	20	22	146
RESPONSE PERCENTAGE	97%	100%	100%	100%	95%

TABLE IV-5

INITIATION OF ACTIVITIES FOR ESEA TITLE I - BY PERCENTAGE OF LEA OPERATING FUNDS REPRESENTED BY USOE FUNDS

ACTIVITIES	ALL LEAs	PERCENTAGE OF USOE FUNDS						Data Unavailable
		0-4.9	5.0-9.9	10.0-14.9	15.0-19.9	20.0-14.9	25.0-29.9	
CURRICULUM PLANNING								
All Actions Prior to Notification	67%	70%	74%	46%	38%	100%	100%	50%
Limited Actions Based Upon Anticipated Funding	32	30	25	54	62	-	-	-
No Actions Until Final Approval and Allocation	1	-	1	-	-	-	-	50
BUDGET PLANNING								
All Actions Prior to Notification	42	41	46	43	38	-	-	-
Limited Actions Based Upon Anticipated Funding	55	55	51	57	62	100	100	50
No Actions Until Final Approval and Allocation	3	4	3	-	-	-	-	50
HIRING								
All Actions Prior to Notification	16	17	18	11	-	-	-	-
Limited Actions Based Upon Anticipated Funding	50	54	43	46	75	-	100	50
No Actions Until Final Approval And Allocation	34	29	39	43	25	100	-	50
PURCHASING								
All Actions Prior to Notification	7	6	9	3	-	-	-	-
Limited Actions Based Upon Anticipated Funding	28	32	19	36	38	-	-	-
No Actions Until Final Approval and Allocation	65	62	72	61	62	100	100	100
PROGRAM IMPLEMENTATION								
All Actions Prior to Notification	12	13	12	11	13	-	-	-
Limited Actions Based Upon Anticipated Funding	37	44	32	28	50	-	-	-
No Actions Until Final Approval and Allocation	51	43	56	61	37	100	100	100
NUMBER OF RESPONSIVE LEAs	198	93	65	28	8	1	1	2
NUMBER OF NON-RESPONSIVE LEAs	7	3	-	-	-	-	-	4
NUMBER OF LEAs INTERVIEWED	205	96	65	28	8	1	1	6
RESPONSE PERCENTAGE	97%	97%	100%	100%	100%	100%	100%	33%

TABLE IV-6

INITIATION OF ACTIVITIES FOR ESEA TITLE I - RESPONSE PERCENTAGES BY DHEW REGION

ACTIVITIES	ALL LEAs	DHEW REGION I	II	III	IV	V	VI	VII	VIII	IX	X
CURRICULUM PLANNING											
All Actions Prior to Notification	67%	86%	69%	58%	69%	44%	56%	64%	100%	60%	92%
Limited Actions Based Upon Anticipated Funding	32	14	23	38	31	56	44	36	-	40	8
No Actions Until Final Approval and Allocation	1	-	8	4	-	-	-	-	-	-	-
BUDGET PLANNING											
All Actions Prior to Notification	42	50	38	46	41	36	40	29	40	30	77
Limited Actions Based Upon Anticipated Funding	55	50	54	46	56	60	56	64	60	70	23
No Actions Until Final Approval and Allocation	3	-	8	8	3	4	4	7	-	-	-
HIRING											
All Actions Prior to Notification	16	9	46	12	16	20	12	21	20	5	8
Limited Actions Based Upon Anticipated Funding	50	55	31	46	53	40	60	36	50	60	61
No Actions Until Final Approval and Allocation	34	36	23	42	31	40	28	43	30	35	31
PURCHASING											
All Actions Prior to Notification	7	4	8	8	3	12	4	14	-	5	8
Limited Actions Based Upon Anticipated Funding	28	23	46	33	31	12	24	22	40	20	46
No Actions Until Final Approval and Allocation	65	73	46	59	66	76	72	64	60	75	46
PROGRAM IMPLEMENTATION											
All Actions Prior to Notification	12	-	31	25	12	8	8	22	10	5	8
Limited Actions Based Upon Anticipated Funding	37	32	31	29	41	28	48	14	30	55	61
No Actions Until Final Approval and Allocation	51	68	38	46	47	64	44	64	60	40	31
NUMBER OF RESPONSIVE LEAs	198	22	13	24	32	25	25	14	10	20	13
NUMBER OF NON-RESPONSIVE LEAs	7	-	1	-	-	4	1	-	-	1	-
NUMBER OF LEAs INTERVIEWED	205	22	14	24	32	29	26	14	10	21	13
RESPONSE PERCENTAGE	97%	100%	93%	100%	100%	86%	96%	100%	100%	95%	100%

In summary, the responses to the Initiation of Activities part of the Telephone Interview Guide for Title I indicate a trend towards delaying actions until the funding was more certain as the actions moved from the area of curriculum and budget planning, to hiring and program implementation, to purchasing.

For other programs, especially those programs with discretionary funding, the responses showed a clear pattern of LEAs performing (1) all curriculum and program planning actions prior to notification and (2) no hiring, purchasing, or program implementation actions prior to final approval and allocation.

Evaluation of Impact

Part V of the Telephone Interview Guide, entitled Evaluation of Impact, was designed to ascertain the severity of the problems created by late federal funding. This part was divided into four major sections, and each section was composed of one or more specific questions. The LEAs were requested to respond with one of three suggested severity levels.

LEAs responded in two fashions. The majority of the responses were an overall evaluation of the impact of all USOE programs on the LEA, and some specifically evaluated the Title I program.

Figure IV-2 presents a sample of Part V of the Telephone Interview Guide. The four major sections addressed and the three suggested responses were:

- sections:
  - curriculum and program planning and implementation;
  - financial management;
  - community impact; and
  - data collection requirements.
- responses:
  - non-existent or minimal - do not affect district educational operations significantly;

V. EVALUATION OF IMPACT - FOR THE FOLLOWING ADMINISTRATIVE AND PROGRAM AREAS, EVALUATE WHETHER THE PROBLEMS CREATED BY LATE FEDERAL FUNDING ARE:

Non-existent or minimal, and therefore do not affect district educational operations significantly.

Tolerable - while problems exist, no major difficulties or can readily adjust to any problems.

Severe - major negative impact on program performance or administrative management.

A. Curriculum and Program Planning and Implementation — Problem Severity

1. Personnel Recruiting ________
2. Personnel Retention ________
3. Purchasing - program supplies and equipment ________
4. Delays in Program Implementation ________
5. Program Effectiveness (in terms of stated objectives) ________
6. Facilities ________
7. Coordination with Other Organizations ________

B. Financial Management

1. Budget Preparation ________
   Income estimates ________
   Expenditure estimates ________
2. Cash Management and Flow ________
3. Expenditure Control ________
4. Accounting ________
5. Reporting ________

C. Community Impact

1. Community involvement ________
2. Community expectations ________

D. Data Collection Requirements for grant application or proposal and reporting. ________

FIGURE IV-2: PART V OF THE TELEPHONE INTERVIEW GUIDE

- tolerable - although problems exist, no major difficulties exist or personnel can readily adjust to any problems; or
- severe - major negative impact on program performance or administrative management.

Curriculum and Program Planning and Implementation

The tabulation of LEA responses concerning curriculum and program planning and implementation is provided in Table IV-7.

As indicated in Table IV-7, late federal funding most severely affected personnel recruiting, purchasing, program implementation, budget preparation, and personnel retention, in that order. The problems with program effectiveness, in terms of stated objectives were rated as tolerable to severe, and the problems with facilities and coordination with other organizations were rated as minimal to tolerable.

Table IV-8 shows these response percentages by the district size of the LEAs. Personnel recruiting was the most severe problem for the LEAs with 25,000 to 49,999 pupils. The LEAs with fewer than 99,999 pupils had less severe problems with personnel retention. The LEAs with 100,000 or more pupils indicated that personnel retention had a higher severity level than recruiting. Purchasing was more severely impacted in LEAs with 100,000 or more pupils than in LEAs with 25,000 to 49,999 pupils. In general, problems with program implementation, program effectiveness, and coordination with other organizations became less severe with the smaller LEA. Two-thirds of the LEAs with 100,000 or more pupils rated the impact on program implementation as severe and they were the only group in which a majority rated program effectiveness as severe. Generally, facilities were not severely impacted by late funding.

Table IV-9 presents the response percentages by the percentage of the operating funds of the LEAs which were comprised of USOE funds for the fiscal year 1975. Personnel recruiting problems were most severe for LEAs with 5.0 to 14.9 percent USOE funding. Problems with personnel retention, purchasing, program implementation delays, and program effectiveness became more severe as the percentage of USOE funds increased. Problems with facilities were most severe for LEAs with 10.0 to 14.9 percent. Coordination with other organizations was least severe for LEAs with less than 5.0 percent.

TABLE IV-7

EVALUATION OF IMPACT ON CURRICULUM AND PROGRAM PLANNING AND IMPLEMENTATION - RESPONSE PERCENTAGES FOR ALL LEAs

AREAS OF EVALUATION	PERCENTAGE
PERSONNEL RECRUITING	
Non-Existent or Minimal	14
Tolerable	31
Severe	35
PERSONNEL RETENTION	
Non-Existent or Minimal	20
Tolerable	36
Severe	44
PURCHASING	
Non-Existent or Minimal	14
Tolerable	36
Severe	50
DELAYS IN PROGRAM IMPLEMENTATION	
Non-Existent or Minimal	16
Tolerable	36
Severe	48
PROGRAM EFFECTIVENESS	
Non-Existent or Minimal	23
Tolerable	44
Severe	33
FACILITIES	
Non-Existent or Minimal	51
Tolerable	33
Severe	16
COORDINATION WITH OTHER ORGANIZATIONS	
Non-Existent or Minimal	40
Tolerable	40
Severe	20
NUMBER OF RESPONSIVE LEAs	202
NUMBER OF NON-RESPONSIVE LEAs	3
NUMBER OF LEAs INTERVIEWED	205
RESPONSE PERCENTAGE	99%

TABLE IV-8

EVALUATION OF IMPACT ON CURRICULUM AND PROGRAM PLANNING AND IMPLEMENTATION - RESPONSE PERCENTAGES BY DISTRICT SIZE

AREAS OF EVALUATION	All LEAs	DISTRICT SIZE			
		100,000 and Over	50,000 to 99,999	25,000 to 49,999	Under 25,000
PERSONNEL RECRUITING					
Non-Existent or Minimal	14%	12%	-	18%	16%
Tolerable	31	29	40	9	33
Severe	55	59	60	73	51
PERSONNEL RETENTION					
Non-Existent or Minimal	20	6	25	9	22
Tolerable	36	35	45	55	32
Severe	44	59	30	36	46
PURCHASING					
Non-Existent or Minimal	14	18	15	9	15
Tolerable	36	23	40	27	38
Severe	50	59	45	64	47
DELAYS IN PROGRAM IMPLEMENTATION					
Non-Existent or Minimal	16	6	10	9	19
Tolerable	36	29	40	32	36
Severe	48	65	50	59	45
PROGRAM EFFECTIVENESS					
Non-Existent or Minimal	23	12	20	27	24
Tolerable	44	35	55	41	45
Severe	33	53	25	32	31
FACILITIES					
Non-Existent or Minimal	51	52	40	55	52
Tolerable	33	24	50	36	31
Severe	16	24	10	9	17
COORDINATION WITH OTHER ORGANIZATIONS					
Non-Existent or Minimal	40	35	25	50	40
Tolerable	40	24	45	36	43
Severe	20	41	30	14	17
NUMBER OF RESPONSIVE LEAs	202	17	20	22	143
NUMBER OF NON-RESPONSIVE LEAs	3	-	-	-	3
NUMBER OF LEAs INTERVIEWED	205	17	20	22	146
RESPONSE PERCENTAGE	99%	100%	100%	100%	98%

TABLE IV-9

EVALUATION OF IMPACT ON CURRICULUM AND PROGRAM PLANNING AND IMPLEMENTATION - BY PERCENTAGE OF LEA OPERATING FUNDS REPRESENTED BY USOE FUNDS

AREAS OF EVALUATION	ALL LEAs	PERCENTAGE OF USOE FUNDS						Data Unavailable
		0 - 4.9	5.0 - 9.9	10.0 - 14.9	15.0 - 19.9	20.0 - 24.9	25.0 - 29.9	
PERSONNEL RECRUITING								
Non-Existent or Minimal	14%	15%	14%	14%	25%	-	-	-
Tolerable	31	35	29	22	25	-	-	33
Severe	55	50	57	64	50	100	100	67
PERSONNEL RETENTION								
Non-Existent or Minimal	20	23	15	21	25	-	-	-
Tolerable	36	37	37	32	25	-	-	33
Severe	44	40	48	47	50	100	100	67
PURCHASING								
Non-Existent or Minimal	14	14	15	14	13	-	-	33
Tolerable	36	45	26	29	37	100	-	67
Severe	50	41	59	57	50	-	100	-
DELAYS IN PROGRAM IMPLEMENTATION								
Non-Existent or Minimal	16	19	12	14	25	-	-	-
Tolerable	36	39	36	29	25	100	-	33
Severe	48	42	52	57	50	-	100	67
PROGRAM EFFECTIVENESS								
Non-Existent or Minimal	23	21	26	25	25	-	-	-
Tolerable	44	53	35	32	50	100	-	67
Severe	33	26	39	43	25	-	100	33
FACILITIES								
Non-Existent or Minimal	51	56	49	43	50	-	-	33
Tolerable	33	29	42	25	37	-	-	67
Severe	16	15	9	32	13	100	100	-
COORDINATION WITH OTHER ORGANIZATIONS								
Non-Existent or Minimal	40	44	37	39	37	-	-	-
Tolerable	40	42	40	36	38	100	-	67
Severe	20	14	23	25	25	-	100	33
NUMBER OF RESPONSIVE LEAs	202	96	65	28	8	1	1	3
NUMBER OF NON-RESPONSIVE LEAs	3	-	-	-	-	-	-	3
NUMBER OF LEAs INTERVIEWED	205	96	65	28	8	1	1	6
RESPONSE PERCENTAGE	99%	100%	100%	100%	100%	100%	100%	50%

TABLE IV-10

EVALUATION OF IMPACT ON CURRICULUM AND PROGRAM PLANNING AND IMPLEMENTATION - RESPONSE PERCENTAGES BY DHEW REGION

AREAS OF EVALUATION	ALL LEAs	DHEW REGION									
		I	II	III	IV	V	VI	VII	VIII	IX	X
PERSONNEL RECRUITING											
Non-Existent or Minimal	14%	23%	31%	17%	19%	14%	4%	7%	10%	10%	46%
Tolerable	31	27	15	46	13	32	42	36	20	35	38
Severe	55	50	54	37	68	54	54	57	70	55	16
PERSONNEL RETENTION											
Non-Existent or Minimal	20	27	31	21	16	21	12	21	10	20	8
Tolerable	36	27	38	46	22	43	38	43	40	25	38
Severe	44	46	31	33	62	36	50	36	50	55	54
PURCHASING											
Non-Existent or Minimal	14	27	23	8	16	18	15	7	10	10	23
Tolerable	36	23	31	38	19	43	27	64	60	35	46
Severe	50	50	46	54	65	39	58	29	30	55	31
DELAYS IN PROGRAM IMPLEMENTATION											
Non-Existent or Minimal	16	23	23	13	16	21	15	7	20	15	-
Tolerable	36	36	46	42	25	43	23	50	30	35	54
Severe	48	41	31	45	59	36	62	43	50	50	46
PROGRAM EFFECTIVENESS											
Non-Existent or Minimal	23	32	46	25	19	25	27	14	10	20	-
Tolerable	44	32	31	46	44	46	38	64	60	45	38
Severe	33	36	23	29	37	29	35	22	30	35	62
FACILITIES											
Non-Existent or Minimal	51	73	84	46	47	57	46	36	30	40	-
Tolerable	33	23	8	33	28	32	31	50	50	55	54
Severe	16	4	8	21	25	11	23	14	20	5	46
COORDINATION WITH OTHER ORGANIZATIONS											
Non-Existent or Minimal	40	64	77	42	31	29	35	36	20	30	46
Tolerable	40	23	15	33	50	46	35	57	60	50	31
Severe	20	13	8	25	19	25	30	7	20	20	23
NUMBER OF RESPONSIVE LEAs	202	22	13	24	32	28	26	14	10	20	13
NUMBER OF NON-RESPONSIVE LEAs	3	-	1	-	-	1	-	-	-	1	-
NUMBER OF LEAs INTERVIEWED	205	22	14	24	32	29	26	14	10	21	13
RESPONSE PERCENTAGE	99%	100%	93%	100%	100%	97%	100%	100%	100%	95%	100%

The response percentages by the DHEW region are shown in Table IV-10. The distribution of responses by region showed wide variations in the responses. Region X typically indicated that personnel recruiting was not a severe problem; however, that region had the third highest percentage of LEAs indicating that personnel retention was a severe problem. Region IV had consistently severe problem ratings for personnel recruiting, personnel retention, purchasing, and delays in program implementation. Within any one question a basic unanimity among regions existed in terms of the estimated severity of the specific impact.

Financial Management

The tabulation of the responses of all the LEAs interviewed yielded the response percentages to the section on financial management presented in Table IV-11.

The LEAs indicated that late funding created tolerable to severe problems in budget preparation and in cash management and flows. The problems in the remaining areas (expenditure control, accounting, and reporting) were rated as minimal to tolerable.

These reponse percentages by LEA district size are contained in Table IV-12. These responses indicate that minimal to tolerable problems existed with LEAs of less than 100,000 pupils; however, LEAs with 100,000 or more pupils rated financial management problems as severe, particularly in the areas of expenditure control and accounting. LEAs with 25,000 to 49,999 pupils indicated that budget preparation problems were significantly more severe and reporting problems significantly less severe than for the other groups.

Table IV-13 presents the responses by the percentage of the LEA fiscal year 1975 operating funds provided by USOE funds. LEAs with 15.0 to 19.9 percent tended to have a tolerable problem level; cash management and flow problems were more severe for LEAs with 5.0 to 9.9 percent and 15.0 to 19.9 percent; and expenditure control problems were substantially less severe for LEAs with 15.0 to 19.9 percent. The basic thrust of the accounting and reporting problems was minimal to tolerable for all categories of LEAs.

The response percentages by the DHEW region are presented in Table IV-14. The responses indicate regional variations in the general response patterns; however, the regional responses were usually weighted in the same direction as the overall responses by region, that is, tending toward either the minimal or severe rating level.

TABLE IV-11

EVALUATION OF IMPACT ON FINANCIAL MANAGEMENT - RESPONSE PERCENTAGES FOR ALL LEAs

AREAS OF EVALUATION	PERCENTAGE
BUDGET PREPARATION	
Non-Existent or Minimal	15
Tolerable	38
Severe	47
CASH MANAGEMENT AND FLOW	
Non-Existent or Minimal	25
Tolerable	41
Severe	34
EXPENDITURE CONTROL	
Non-Existent or Minimal	34
Tolerable	43
Severe	23
ACCOUNTING	
Non-Existent or Minimal	34
Tolerable	46
Severe	20
REPORTING	
Non-Existent or Minimal	32
Tolerable	50
Severe	18
NUMBER OF RESPONSIVE LEAs	202
NUMER OF NON-RESPONSIVE LEAs	3
NUMBER OF LEAs INTERVIEWED	205
RESPONSE PERCENTAGE	99%

TABLE IV-12

EVALUATION OF IMPACT ON FINANCIAL MANAGEMENT - RESPONSE PERCENTAGES BY DISTRICT SIZE

AREAS OF EVALUATION	All LEAs	DISTRICT SIZE			
		100,000 and Over	50,000 to 99,999	25,000 to 49,999	Under 25,000
BUDGET PREPARATION					
Non-Existent or Minimal	15%	12%	20%	9%	15%
Tolerable	38	35	50	32	38
Severe	47	53	30	59	47
CASH MANAGEMENT AND FLOW					
Non-Existent or Minimal	25	35	30	23	23
Tolerable	41	35	45	45	41
Severe	34	30	25	32	36
EXPENDITURE CONTROL					
Non-Existent or Minimal	34	24	45	36	34
Tolerable	43	41	40	46	43
Severe	23	35	15	18	23
ACCOUNTING					
Non-Existent or Minimal	34	30	40	45	31
Tolerable	46	35	35	41	49
Severe	20	35	25	14	20
REPORTING					
Non-Existent or Minimal	32	24	35	41	31
Tolerable	50	52	45	55	50
Severe	18	24	20	4	19
NUMBER OF RESPONSIVE LEAs	202	17	20	22	143
NUMBER OF NON-RESPONSIVE LEAs	3	–	–	–	3
NUMBER OF LEAs INTERVIEWED	205	17	20	22	146
RESPONSE PERCENTAGE	99%	100%	100%	100%	98%

TABLE IV-13

EVALUATION OF IMPACT ON FINANCIAL MANAGEMENT - BY PERCENTAGE OF LEA OPERATING FUNDS REPRESENTED BY USOE FUNDS

AREAS OF EVALUATION	ALL LEAs	PERCENTAGE OF USOE FUNDS						Data Unavailable
		0 to 4.9	5.0 to 9.9	10.0 to 14.9	15.0 to 19.9	20.0 to 24.9	25.0 to 29.9	
BUDGET PREPARATION								
Non-Existent or Minimal	15%	13%	22%	11%	-	-	-	33%
Tolerable	38	43	26	46	63	-	-	33
Severe	47	44	52	43	37	100	100	34
CASH MANAGEMENT AND FLOW								
Non-Existent or Minimal	25	21	26	39	13	-	-	33
Tolerable	41	53	28	36	37	-	100	34
Severe	34	26	46	25	50	100	-	33
EXPENDITURE CONTROL								
Non-Existent or Minimal	34	35	28	39	63	-	-	33
Tolerable	43	49	37	39	25	100	-	67
Severe	23	16	35	22	12	-	100	-
ACCOUNTING								
Non-Existent or Minimal	34	32	31	43	63	-	-	-
Tolerable	46	53	38	39	12	100	-	100
Severe	20	15	31	18	25	-	100	-
REPORTING								
Non-Existent or Minimal	32	30	29	39	63	-	-	-
Tolerable	50	55	48	43	12	100	100	100
Severe	18	15	23	18	25	-	-	-
NUMBER OF RESPONSIVE LEAs	202	96	65	28	8	1	1	3
NUMBER OF NON-RESPONSIVE LEAs	3	-	-	-	-	-	-	3
NUMBER OF LEAs INTERVIEWED	205	96	65	28	8	1	1	6
RESPONSE PERCENTAGE	99%	100%	100%	100%	100%	100%	100%	50%

TABLE IV-14

EVALUATION OF IMPACT ON FINANCIAL MANAGEMENT - RESPONSE PERCENTAGES BY DHEW REGION

AREAS OF EVALUATION	ALL LEAs	DHEW REGION									
		I	II	III	IV	V	VI	VII	VIII	IX	X
BUDGET PREPARATION											
Non-Existent or Minimal	15%	27%	31%	13%	13%	14%	12%	21%	-	15%	-
Tolerable	38	18	23	29	40	54	42	43	40	40	46
Severe	47	55	46	58	47	32	46	36	60	45	54
CASH MANAGEMENT											
Non-Existent or Minimal	25	36	23	21	28	36	23	36	-	10	15
Tolerable	41	14	46	37	38	46	42	43	60	50	62
Severe	34	50	31	42	34	18	35	21	40	40	23
EXPENDITURE CONTROL											
Non-Existent or Minimal	34	50	23	25	38	36	27	36	20	50	23
Tolerable	43	18	62	37	38	46	38	64	60	30	77
Severe	23	32	15	38	24	18	35	-	20	20	-
ACCOUNTING											
Non-Existent or Minimal	34	59	15	25	41	36	19	29	20	45	31
Tolerable	46	27	70	42	41	50	50	71	40	25	62
Severe	20	14	15	33	18	14	31	-	40	30	7
REPORTING											
Non-Existent or Minimal	32	50	15	25	44	36	19	36	10	30	31
Tolerable	50	41	70	42	44	54	54	64	60	35	69
Severe	18	9	15	33	12	10	27	-	30	35	-
NUMBER OF RESPONSIVE LEAs	202	22	13	24	32	28	26	14	10	20	13
NUMBER OF NON-RESPONSIVE LEAs	3	-	1	-	-	1	-	-	-	1	-
NUMBER OF LEAs INTERVIEWED	205	22	14	24	32	29	26	14	10	21	13
RESPONSE PERCENTAGE	99%	100%	93%	100%	100%	97%	100%	100%	100%	95%	100%

TABLE IV-15

EVALUATION OF IMPACT ON THE COMMUNITY - RESPONSE PERCENTAGES FOR ALL LEAs

AREAS OF EVALUATION	PERCENTAGE
COMMUNITY INVOLVEMENT	
Non-Existent or Minimal	34
Tolerable	38
Severe	28
COMMUNITY EXPECTATIONS	
Non-Existent or Minimal	35
Tolerable	37
Severe	28
NUMBER OF RESPONSIVE LEAs	202
NUMBER OF NON-RESPONSIVE LEAs	3
NUMBER OF LEAs INTERVIEWED	205
RESPONSE PERCENTAGE	99

The Community

The tabulation of the responses of all the LEAs interviewed to the section on community impact yielded the response percentages presented in Table IV-15. The impact of late funding on the community was deemed to be minimal to tolerable.

Response percentages by LEA district size are provided in Table IV-16. Problems related to community involvement were considered tolerable to severe by LEAs with 25,000 to 99,999 pupils. All districts with 25,000 or more pupils considered problems related to community expectations to be tolerable to severe.

Table IV-17 shows the response percentages by the percentage of the LEA fiscal year 1975 operating funds that were provided by USOE funds. LEAs with 10.0 percent or more considered community impact to be tolerable to severe. For LEAs of 5.0 percent or more, community expectations were rated as a tolerable to severe problem area.

The response percentages by the DHEW region are presented in Table IV-18. For community involvement, Regions I through VII considered the problem minimal to tolerable, while Regions VIII, IX, and X considered the problem tolerable to severe. The area of community expectations showed more regional variation with Region X strongly weighted toward the tolerable to severe level.

Data Collection Requirements

The tabulation of the responses of all LEAs interviewed yielded the response percentages to the section on data collection requirements presented in Table IV-19. According to the survey results, late funding created tolerable data collection problems.

Table IV-20 shows these response percentages by the pupil population of the LEAs. The only significant deviation from the overall responses involved LEAs with 25,000 to 49,999 pupils, which considered the problem to be tolerable to severe.

Table IV-21 shows response by percentage of the fiscal year 1975 LEA operating funds provided by USOE funds. LEAs of less than 10.0 percent considered the problem tolerable to severe.

Table IV-22 presents the response percentages by the DHEW region in which the LEAs are located. The regional responses fluctuated around the tolerable severity level, with Region X on the minimal to tolerable end of the scale and Region VIII on the tolerable to severe end.

TABLE IV-16

EVALUATION OF IMPACT ON THE COMMUNITY - RESPONSE PERCENTAGES BY DISTRICT SIZE

AREAS OF EVALUATION	All LEAs	DISTRICT SIZE			
		100,000 and Over	50,000 to 99,999	25,000 to 49,999	Under 25,000
COMMUNITY INVOLVEMENT					
Non-Existent or Minimal	34%	42%	25%	18%	37%
Tolerable	38	29	55	41	36
Severe	28	29	20	41	27
COMMUNITY EXPECTATIONS					
Non-Existent or Minimal	35	30	25	14	40
Tolerable	37	35	45	41	35
Severe	28	35	30	45	25
NUMBER OF RESPONSIVE LEAs	202	17	20	22	143
NUMBER OF NON-RESPONSIVE LEAs	3	—	—	—	3
NUMBER OF LEAs INTERVIEWED	205	17	20	22	146
RESPONSE PERCENTAGE	99%	100%	100%	100%	98%

TABLE IV-17

EVALUATION OF IMPACT ON THE COMMUNITY - BY PERCENTAGE OF LEA OPERATING FUNDS REPRESENTED BY USOE FUNDS

AREAS OF EVALUATION	ALL LEAs	PERCENTAGE OF USOE FUNDS						Data Unavailable
		0-4.9	5.0 - 9.9	10.0 - 14.9	15.0 - 19.9	20.0 - 24.9	25.0 - 29.9	
COMMUNITY INVOLVEMENT								
Non-Existent or Minimal	34%	43%	29%	25%	13%	-	-	33%
Tolerable	38	35	48	25	37	-	100	34
Severe	28	22	23	50	50	100	-	33
COMMUNITY EXPECTATIONS								
Non-Existent or Minimal	35	43	28	32	13	-	-	33
Tolerable	37	36	42	21	50	-	100	34
Severe	28	21	30	47	37	100	-	33
NUMBER OF RESPONSIVE LEAs	202	96	65	28	8	1	1	3
NUMBER OF NON-RESPONSIVE LEAs	3	-	-	-	-	-	-	3
NUMBER OF LEAs INTERVIEWED	205	96	65	28	8	1	1	6
RESPONSE PERCENTAGE	99%	100%	100%	100%	100%	100%	100%	50%

TABLE IV-18

EVALUATION OF IMPACT ON THE COMMUNITY - RESPONSE PERCENTAGES BY DHEW REGION

AREAS OF EVALUATION	ALL LEAs	DHEW REGION									
		I	II	III	IV	V	VI	VII	VIII	IX	X
COMMUNITY INVOLVEMENT											
Non-Existent or Minimal	34%	41%	54%	42%	34%	39%	35%	29%	30%	20%	8%
Tolerable	38	32	15	29	34	36	54	50	20	50	54
Severe	28	27	31	29	32	25	11	21	50	30	38
COMMUNITY EXPECTATIONS											
Non-Existent or Minimal	35	41	46	42	28	39	46	43	30	20	8
Tolerable	37	18	31	42	41	36	39	29	40	30	62
Severe	28	41	23	16	31	25	15	28	30	50	30
NUMBER OF RESPONSIVE LEAs	202	22	13	24	32	28	26	14	10	20	13
NUMBER OF NON-RESPONSIVE LEAs	3	-	1	-	-	1	-	-	-	1	-
NUMBER OF LEAs INTERVIEWED	205	22	14	24	32	29	26	14	10	21	13
RESPONSE PERCENTAGE	99%	100%	93%	100%	100%	97%	100%	100%	100%	95%	100%

TABLE IV-19

EVALUATION OF IMPACT ON DATA COLLECTION REQUIREMENT - RESPONSE PERCENTAGES FOR ALL LEAs

IMPACT	PERCENTAGE
Non-Existent or Minimal	27
Tolerable	44
Severe	29
NUMBER OF RESPONSIVE LEAs	202
NUMBER OF NON-RESPONSIVE L EAs	3
NUMBER OF LEAs INTERVIEWED	205
RESPONSE PERCENTAGE	99%

TABLE IV-20

EVALUATION OF IMPACT ON DATA COLLECTION REQUIREMENT - RESPONSE PERCENTAGES BY DISTRICT SIZE

IMPACT	ALL LEAs	DISTRICT SIZE			
		100,000 and Over	50,000 to 99,999	25,000 to 49,999	Under 25,000
Non-Existent or Minimal	27 %	30 %	30%	23%	29%
Tolerable	44	35	50	36	42
Severe	29	35	20	41	29
NUMBER OF RESPONSIVE LEAs	202	17	20	22	143
NUMBER OF NON-RESPONSIVE LEAs	3	-	-	-	3
NUMBER OF LEAs INTERVIEWED	205	17	20	22	146
RESPONSE PERCENTAGE	99%	100%	100%	100%	98%

TABLE IV-21

EVALUATION OF IMPACT ON DATA COLLECTION REQUIREMENTS - BY PERCENTAGE OF LEA OPERATING FUNDS REPRESENTED BY USOE FUNDS

IMPACT	ALL LEAs	PERCENTAGE OF USOE FUNDS						Data Unavailable
		0 - 4.9	5.0 - 9.9	10.0 - 14.9	15.0 - 19.9	20.0 - 24.9	25.0 - 29.9	
Non-Existent or Minimal	27%	24%	32%	29%	25%	-	-	67%
Tolerable	44	49	45	29	37	-	100	33
Severe	29	27	23	42	38	100	-	-
NUMBER OF RESPONSIVE LEAs	202	96	65	28	8	1	1	3
NUMBER OF NON-RESPONSIVE LEAs	3	-	-	-	-	-	-	3
NUMBER OF LEAs INTERVIEWED	205	96	65	28	8	1	1	6
RESPONSE PERCENTAGE	99%	100%	100%	100%	100%	100%	100%	50%

TABLE IV-22

EVALUATION OF IMPACT ON DATA COLLECTION REQUIREMENTS - RESPONSE PERCENTAGES BY DHEW REGION

IMPACT	ALL LEAs	DHEW REGION									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Non-Existent or Minimal	27%	32%	15%	21%	34%	36%	27%	29%	10%	25%	23%
Tolerable	44	45	47	37	50	25	46	50	60	30	69
Severe	29	23	38	42	16	39	27	21	30	45	8
NUMBER OF RESPONSIVE LEAs	202	22	13	24	32	28	26	14	10	20	13
NUMBER OF NON-RESPONSIVE LEAs	3	-	1	-	-	1	-	-	-	1	-
NUMBER OF LEAs INTERVIEWED	205	22	14	24	32	29	26	14	10	21	13
RESPONSE PERCENTAGE	99%	100%	93%	100%	100%	97%	100%	100%	100%	95%	100%

Summary

To summarize LEA Evaluation of Impact, the following areas were considered to be severely impacted by late funding:

- personnel recruiting;
- purchasing;
- program implementation;
- budget preparation; and
- personnel retention.

The following areas were considered to be tolerably impacted:

- reporting;
- accounting;
- program effectiveness;
- data collection;
- expenditure control;
- cash management and flow;
- community involvement; and
- community expectations.

The following were considered to be minimal impacts:

- coordination with other organizations; and
- facilities.

ANALYSIS OF SURVEY RESULTS

An initial analysis of the impact of late federal funding and preliminary observations was based upon the tabulation of the Initiation of Activities responses presented above and the LEA responses to the following two queries in the Telephone Interview Guide:

- Please give examples of a severe problem created by delays in notification of federal program funds; and

- Please give examples of actions taken by the school district to try to compensate for or minimize the late funding problems previously identified.

The results of that initial analysis and the preliminary observations are presented below.

The primary effects of late federal funding appeared to be uncertainty and insecurity. These effects appeared initially in the responses for Title I on the Initiation of Activities.

Two important factors must be emphasized. First, the core of an application or proposal for USOE funds is a curriculum plan and a proposed budget. However, the extent to which these are incorporated into the overall planning of the LEA may vary among LEAs. Second, the LEA cannot be reimbursed under a USOE grant or contract for an obligation incurred prior to the approval date of that grant or contract.

Virtually all of the LEAs initiated or completed some curriculum and budget planning actions prior to final approval and initial allocation of funds. These planning actions build toward a timely program implementation; however a majority of the LEAs performed no program implementation actions prior to final approval and allocation. Purchasing and hiring actions are generally performed between the planning and the implementation dates. Almost two-thirds of the LEAs stated that they did no purchasing prior to final approval and allocation. One-half of the LEAs performed limited hiring based upon anticipated funding, and another one-third of the LEAs performed no hiring prior to final approval and allocation.

A review of the Evaluation of Impact, however, fails to indicate any correlation between the timing of these actions and the problem severity level for the LEAs. The response percentages in these areas, as presented earlier, are shown in the following table.

Activity	Non-Existent or Minimal	Tolerable	Severe
Budget Preparation	15%	38%	47%
Delays in Program Implementation	16	36	48
Purchasing	14	36	50
Personnel Recruiting	14	31	55
Personnel Retention	20	36	44

No substantive variations existed between these responses. In fact, of all the impact evaluation questions, only these five were given severe ratings by either a majority or plurality of the LEAs.

Planning Problems

The examples of severe problems created by this late notification of federal program funds suggest the problems faced by LEAs. Generally, the LEAs had between zero and three weeks from the date of award receipt to the program implementation date, that is, the date regular classes commenced. During that period, the LEA had to revise its budget and curriculum plans to conform to the funds awarded. During that same period, one-half of the LEAs had to plan, coordinate, and implement a program, and another one-third of the LEAs had to complete previously begun activities.

The following are typical of the comments made by LEAs concerning the impact of late funding on planning:

- "Preliminary allocations tend to establish program parameters. Later increases result in hasty, sometimes unwise, additions to programs which are often not soundly based."

- "Inability to make plans for a summer remedial program due to a lack of information about what the final appropriation for the district would be. Tentative and partial planning took place, but because of the inability to make commitments, such tentativeness and hesitancy impeded program value."

- "Cramming program planning activities into a short period to enable program operations, etc., overtime not compensated."

- "If able to prepare programs earlier, the LEA would be able to have the program ready prior to school opening."

Hiring Problems

Obviously the individual teacher is the single most important resource in delivering educational services. The LEAs are also involved in the hiring of program personnel while finalizing these plans. One-third of the LEAs did no federal program related hiring before receipt of the award and another one-half of the LEAs had done some limited hiring. Many of the latter had either hired the program personnel as "temporaries" or had hired "subject to federal funding." The late hiring is complicated by both the short time period in which to employ personnel and the fact that regular positions (i.e., positions funded from nonfederal sources) are contracted between March 1st and July 1st.

People with the best qualifications or of proven effectiveness are a valuable resource to an LEA and in the greatest demand by LEAs. Many of these people are unwilling to endure the summer months without a firm employment contract, and, therefore, refuse contracts which are tentative and have signed firm contracts before late August. The LEAs, therefore, cannot employ personnel of the highest caliber, and, in the opinion of the LEAs, this adversely affects the potential program effectiveness. Some typical comments by the LEAs were:

- "Loss of experienced teachers and delay in hiring new people results in a shortage of persons qualified for specific positions, e.g., psychologists, speech therapists, and counselors."

- "Best qualified personnel often employed before recruiting for the federal program began."

- "Since all employees hired under federal programs are dependent from year to year on funds granted, this makes for frustration and low morale. Many excellent employees take other jobs because of the pressure involved. We also have to hire, at times, employees that are not as well qualified."

- "The kind of people who make a program successful are not available."

- "Personnel recruiting, retention, and staff morale are the severe problems. The personnel do not know from year to year if they will have a job until July or August. Some reading specialists in the program for six or seven years left the program for job security."

- "Recruiting is especially severe for minority and bilingual staff."

- "Personnel with high qualifications are not interested in federal projects."

- "They will still leave federal program ASAP - after position funded for the current year."

Purchasing Problems

As mentioned earlier, LEAs cannot be reimbursed for obligations incurred prior to the issuance date of the grant document. Late federal funding, therefore, delays the ordering of material and equipment, which in turn delays the delivery by the vendor.

Using Title I for fiscal year 1975 as an example, the local education agencies could not issue purchase orders for classroom material until approximately September 1st, and in fact two-thirds of the LEAs indicated that no purchasing had been performed prior to final approval and allocation. The time between the purchase order date and the delivery date can be from one to six months. The teachers, therefore, would lack the necessary material and the children would lose the educational benefit of that material for at least part, if not all, of the first semester of school. Typical LEA comments about purchasing were:

- "Purchase often must be made in the Spring if any materials are to be available in the Fall."

- "Purchasing activities can be complicated--especially when using competitive bid procedures."

- "Supplies and equipment cannot be ordered until the program is funded, and, therefore, not received until the end of the first semester."

- "Ordering material to support a program can only be done after approval and often results in delivery months later."

- "When equipment and materials which are essential to the program cannot be ready at the start of school, severe handicaps are experienced in accomplishing objectives."

Program Implementation Problems

After a program has been planned, the personnel hired, and the material ordered (if not also delivered), a program can begin functioning. One-half of the LEAs had performed no program implementation actions prior to final approval and allocation, and another one-third of the LEAs had only performed limited actions, based upon anticipated funding. The same percentage rated the problems of delay in program implementation as severe and tolerable, respectively.

One problem of delayed program implementation is the cumulative effect of revising program plans and hiring close to the implementation date. Another problem with delayed program implementation is that the children lose the potential educational benefit of the days between the start of the regular session and the start of the program.

Typical LEA comments were:

- "Programs not started when school year began."

- "Title I had to start late. Wanted to start program in September, but actually started in December."

- "The reduced time element of the program operation period often results in the individual programs not achieving their maximum goals and objectives because of delays in staff recruitment and training, planning, curriculum development, and materials acquisitions."

The general tenor of the LEA comments indicated more of a reluctance to implement new federal programs before the funding was assured than to implement continuing programs.

Facilities Problems

While a majority of the LEAs indicated that problems with facilities were minimal, they also indicated an inability to obtain preferential facilities when the federal programs are the last to be assured of implementation and/or the level of effort.

V. SITE VISITS

This section discusses the impact of late federal funding on the operations of state and local education agencies. Preliminary site visits were initially conducted with a small sampling of SEAs and LEAs. The results of these visits then assisted in the design of the telephone interview guides and the identification of the key characteristics used to select the telephone interview samples.

Subsequent to the telephone survey, a sample of those SEAs and LEAs interviewed were selected for extended on-site interviews and documentation of the problems, concerns, and potential recommendations for minimizing the impact of late federal funding. The primary factors used to select the site visit sample were:

- particularly significant discussion during the telephone interview;
- one SEA and at least two LEAs from each DHEW region;
- at least one LEA from each state in which the SEA was included in the sample;
- pupil population; and
- the percentage of state and local operating funds represented by USOE funds.

Figure V-1 identifies those agencies selected for preliminary and subsequent site visits.

Many, if not most, of the SEA and LEA personnel interviewed during the site visits had similar major concerns regarding the impact of the current USOE educational funding pattern. These concerns tended to be centered upon the following programmatic and administrative areas:

- program planning;
- financial management;
- personnel administration;
- program effectiveness; and
- community impact.

STATE EDUCATION AGENCIES

Preliminary:

The Maryland State Department of Education
The Commonwealth of Massachusetts Department of Education
The West Virginia State Education Department

Documentary:

The California Department of Education
The Colorado Department of Education
The Illinois Office of Education
The State of Iowa Department of Public Instruction
The Commonwealth of Massachusetts Department of Education
The New York State Education Department
The North Carolina State Education Department
The Pennsylvania Department of Education
The Texas Education Agency
The Washington Department of Public Instruction

LOCAL EDUCATION AGENCIES

Preliminary:

Boston, Massachusetts
Calvert County, Maryland
Fairfax County, Virginia
Montgomery County, Maryland
Shawnee Mission, Kansas

Documentary:

Austin, Texas
Boston, Massachusetts
Cedar Rapids, Iowa
Chicago, Illinois
Cumberland County, North Carolina
Dade County, Florida
Denver, Colorado
Des Moines, Iowa
Duval County, Florida
Fall River, Massachusetts
Harrisburg, Pennsylvania
Irving, Texas
Lancaster, Pennsylvania
Los Angeles, California
Milwaukee, Wisconsin
New Rochelle, New York
New York City, New York
Pueblo, Colorado
Quincy, Massachusetts
Sacramento, California
San Diego, California
San Francisco, California
Seattle, Washington
Tacoma, Washington

FIGURE V-1: STATE AND LOCAL EDUCATION AGENCIES SITE VISITED

The documentation below details the major late funding impacts in each of these areas and provides specific illustrations developed from the site visits. The remainder of this section is structured by each operational area with (1) a general description of the scope of the area, (2) identification of a specific impact of late funding within the particular area, (3) a description of the impact, and (4) specific illustrations related by personnel during the site visits.

To maintain anonymity, each SEA and LEA is identified by a unique number (i.e., SEA-1, LEA-4, etc.). Tables V-1 and V-2 present a general description of the SEAs and LEAs, respectively. Where more than one SEA or LEA illustrates the same finding, the LEA or SEA providing the most complete documentation is included.

TABLE V-1

DESCRIPTION OF SEAs

CODE	REGION	APPROXIMATE NO. OF PUPILS	APPROXIMATE % OF USOE FUNDS
SEA-1	Midwest	600,000	3.3
SEA-2	Midwest	570,000	8.0
SEA-3	South	2.8 million	11.0
SEA-4	Northeast	3 million	8.9
SEA-5	South	1.2 million	10.0
SEA-6	West	800,000	5.5
SEA-7	Midwest	2.3 million	NA *
SEA-8	West	4.5 million	12.5
SEA-9	Northeast	2.3 million	7.5

NOTE:

Geographic Region	DHEW Regions
Northeast	I, II, III
South	IV, V
Midwest	V, VII, VIII
West	IX, X

* NOT AVAILABLE

TABLE V-2

DESCRIPTION OF LEAs INCLUDED AS ILLUSTRATIVE EXAMPLES

CODE	REGION	NO. OF PUPILS	TYPE OF DISTRICT	APPROXIMATE % OF USOE FUNDS
LEA-1	Midwest	50,000-99,999	Urban	5.8
LEA-2	Northeast	Under 25,000	Suburban	3.6
LEA-3	South	Over 100,000	Urban	9.8
LEA-4	South	25,000-49,999	Urban	5.5
LEA-5	Midwest	25,000-49,999	Urban	5.4
LEA-6	West	50,000-99,999	Urban	3.6
LEA-7	Midwest	Under 25,000	Urban	2.7
LEA-8	Midwest	25,000-49,999	Urban	5.0
LEA-9	South	25,000-49,999	Suburban	14.1
LEA-10	West	25,000-49,999	Urban	10.4
LEA-11	Northeast	Under 25,000	Urban	5.8
LEA-12	Midwest	Over 100,000	Urban	4.9
LEA-13	West	Over 100,000	Urban	9.2
LEA-14	South	25,000-49,999	Suburban	0.9
LEA-15	West	50,000-99,999	Urban	9.2
LEA-16	Northeast	Under 25,000	Urban	17.9

NOTE:

Geographic Region	DHEW Regions
Northeast	I, II, III
South	IV, V
Midwest	V, VII, VIII
West	IX, X

PROGRAM PLANNING

Program planning at the local education agency includes those actions necessary to design new or continue existing programs and to implement an educational program that addresses specific needs and accomplishes specified objectives. As the Catalog indicates, the USOE educational programs vary (1) from specific curricular or classroom objectives to more general supportive efforts of an entire LEA educational process and (2) from specific to general target populations. In all cases, the receipt of a grant award for a USOE categorical program involves a specific series of planning activities by the recipient, including development of a written proposal or program plan. Therefore, this section addresses those program planning and curriculum development actions that appeared to be impacted by the federal funding pattern.

Often the Federal Funding Level Is Known Too Late to Allow for Effective Program Planning

In many cases, an educational program is designed (including the selection of the target pupil population, program content, and delivery methodologies) during the winter for implementation during the succeeding academic year. Some of the critical variables that affect this program plan are the assessment of the program needs, the priority of those needs in relation to the other educational needs of the school district, and the financial resources--federal, state, and local--to be allocated to the program. However, in many instances the level of federal financial assistance for educational programs becomes known only after an LEA develops its regular program plans. (In some instances, even the proposal announcement for a federal program is issued after completion of the normal LEA planning cycle.)

To facilitate and coordinate district program planning, many LEAs need to plan for federal programs at least 6 to 9 months in advance. These plans require assumptions regarding the continuation of federal funds and the probable amount of the grant award. The following examples, developed from the site visits, illustrate the magnitude of the planning problem.

- SEA-1. This state provided us with data indicating the volume of the planning and revision efforts for the ESEA Title I program:

Approved Applications	1973	1974	1975	1976
Initial Applications	444	441	439	404*
Application Amendments	155	469	235*	160**
Subtotal	599	910	674	564
Carry-Over Applications	357	166	125*	N/A
Total Applications	956	1,076	799	N/A
Approved Applications Per Initial Application				
Before Carry-Over	1.3	2.1	1.5	1.4
After Carry-Over	2.2	2.4	1.8	N/A

The data demonstrate that the LEAs must prepare and the SEA review, accept, and approve an average of two applications per year from each LEA in the state for Title I funds. (The data reflect only approved applications and, therefore, do not indicate the additional efforts involved for the SEA-reviewed applications returned to the LEA for revision.)

- SEA-2. In this state, LEAs must prepare and submit their ESEA Title I program plan before the level of funding is known. When the funding becomes known, each LEA must then retrace its steps and prepare an amendment to the plan to incorporate the revised funding level.

- LEA-1. At this LEA, which is typical of many, substantial Title I program planning problems result when the amount of funding is unknown. For example, planning sessions with the Parent Advisory Council, which are an important element of this district's community involvement efforts, are significantly less productive when the level of funding is unknown.

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* as of September 18, 1975
**as of October 7, 1975

Federal Funds Are Received Too Close to the Beginning of Classes to Allow for Orderly and Timely Program Implementation (or Are Even Received After Classes Start)

The Catalog (see Section III) shows that many fiscal year 1975 grant awards were issued very close to, if not after, the time that classes started in the fall of 1974. The telephone survey (see Section IV) then indicated that as a result several critical Title I program implementation actions were performed either wholly or partially after receipt of the final program plan approval and initial allocation of funds.

As discussed previously, program plans must frequently be revised after receipt of the grant award document to reflect the actual or, as in the case of Title I, the initial award amount. To implement the program when classes start, or as soon thereafter as possible, the plan revisions must frequently be compressed into a relatively short time frame. This, in turn, severely impacts program implementation, classroom planning, and scheduling. The completion of these planning actions before regular classes start, or as soon thereafter as possible, may require personnel to divert their attention from other activities they should be performing and may affect the quality of the results.

The survey indicated that in some instances the federal program is implemented after the scheduled starting date. In these cases, the children may lose some of the potential educational benefits of the program if (1) the planning actions cannot be completed before regular classes start or (2) the award is received after regular classes start.

The following examples illustrate some of the potential impacts that result when grant awards are received too close to the scheduled program implementation date.

- LEA-2. Cooperative work-study programs funded from vocational education monies require a significant amount of preplanning, such as interviewing students and talking to parents. Since this LEA did not receive notification of award until September, the project implementation "had to be rushed, which resulted in less effective planning and excessive administrative effort."

- LEA-3. A substantial increase in Title I funds for fiscal year 1976 complicated program implementation for this LEA. The increased funding expanded the Title I program to 13 new public schools. State and local requirements, however, prohibit formal hiring and appointment of Title I teachers until the state has approved the program plan and the school board has accepted the project. Thus, although the fiscal year 1976 entitlements by county were available by mid-July 1975, recruiting and hiring could not begin until early September because of the approval and acceptance requirements.

- LEA-4. A Part B, Education of the Handicapped Act (EHA) program was funded in late July 1975 for the 1975-76 school year. However, the coordinator was not hired until mid-August because of late notification. As a result, as of October 1, 1975, program activities were still being planned rather than implemented.

- LEA-5. As required by federal and state regulations, the fiscal year 1976 Title I plan was prepared in the spring of 1975. Since they lacked a preliminary funding estimate, this LEA, using the hold-harmless provision, assumed an 85 percent level (of its 1975 award) as the 1976 funding level. When the fiscal year 1976 award was received on August 1, 1975, however, the grant award was substantially more than the 1975 award. As a result, the full program services could not be planned, and a full complement of personnel could not be hired on a timely basis.

Late Federal Funding Hinders the LEA Efforts to Effectively Prepare a Coordinated Curriculum Comprised of Separate Federal and Regular Programs

The fundamental objective of an education system is to meet the educational needs of the students. The design of an effective and comprehensive curriculum requires an identification of needs, the design of programs that will meet these needs, the identification of funding sources, and coordination among different programs.

Integrating federal and regular programs into a comprehensive educational curriculum is a substantial problem caused or aggravated by late funding. Two uncertainties creating this problem are (1) whether a program will be approved and funded and (2) the level of funding. Other impediments are the need for most federal programs to supplement another program, whether federal or regular, and the need to revise student schedules to include late funded federal programs.

The following examples illustrate these problems.

- LEA-1. Fall-semester pupil schedules are prepared during the prior spring. When major programs must be modified during the summer because (1) an existing federal program is not renewed, (2) a significant change is made in the funding level of a continuing federal program, or (3) an initial award is made for a federal program, the schedule must be revised. This is both a time consuming and costly process. As a result of this confusion, some parents are reluctant to allow their child's schedule to include a federally funded program when the LEA can only assure its operation for one year.

- LEA-4. A major problem for this LEA is the coordination of all federal, state, and locally funded programs into a comprehensive educational curriculum for the students. For example, this LEA has four bilingual programs, which are appropriated by three governmental bodies, awarded by four administrative offices, but directed toward one target population:

LEA-4 Bilingual Programs

Program	Appropriated By	Awarded By
ESEA Title I	U.S. Government	USOE, D.C.
ESEA Title VII	U.S. Government	USOE, SEA
ESAA	U.S. Government	USOE, Region
Regular	SEA and LEA	SEA and LEA

Under USOE guidelines, each of these programs must be supplemental to each other, which creates problems in coordinating the educational services provided by each program into an overall program oriented toward one target population.

- LEA-8. This LEA must assure itself that children receive all the needed services available in the regular (non-Title I) program. To provide a Title I service which is supplemental to all other services, however, the district has to remove children from a regular classroom and thus fragment pupil schedules.

Grant Awards Are Often Received Too Late in the Grant Period for Effective Use During That Period

Grant awards received late in an academic year present problems for an SEA or LEA. Indeed, many find that the funds cannot be effectively used until the subsequent school year. According to the personnel interviewed, these late funds frequently were the initial source of carry-over funds and, in some instances, the cause of increases in carry-over funds in subsequent years.

The following illustrate the problems encountered.

- SEA-2. For several programs, the first and second quarters of fiscal year 1975 were funded from continuing resolutions, the third quarter from an appropriation and a proposed (but eventually denied) appropriation rescission, and the fourth from the full appropriation. Although most LEAs in this state prepared and submitted program plan amendments before the end of the third quarter, they reserved the fourth quarter increase for carry-over funds in fiscal year 1976.

- SEA-3. This SEA cannot issue grants to LEAs until a grant award has been received from the USOE. The time period between the award receipt and subgrant issuance varies by program. This SEA issues subgrants for ESEA Title I within two to three weeks after receiving its award. However, for Part B, Education of the Handicapped Act grants, this SEA needs from two to six months to complete the award process. In an administrative response to this latter problem, the SEA uses one year prior EHA funds for current year programs, which they have labeled "backward" funding as opposed to forward funding.

- SEA-5. In May 1975, this SEA received a fourth-quarter grant award that resulted in an increase of $700,000 for vocational education. In reacting to prior USOE criticisms about excessive carry-over, the SEA encouraged LEAs to spend at a rapid rate, thereby seriously damaging good planning and program effectiveness.

The Carry-Over Provision Has Almost Universally Helped the SEAs and LEAs Cope with Late and Uncertain Federal Funding

The carry-over provision was first enacted as Section 405(a) of Public Law 90-247, which was commonly referred to as the Tydings Amendment. This provision is currently Section 412(b) of the General Provisions Act, and states:

> ...any funds...which are not obligated and expended by the educational agencies or institutions prior to the beginning of the fiscal year succeeding the fiscal year of which funds were appropriated shall remain available for obligation and expenditure by such agencies and institutions during such succeeding fiscal year.

This carry-over provision permits funds appropriated for obligation in one fiscal year to be available to the recipient for obligation until the end of the succeeding fiscal year. For example, the Title I appropriation for fiscal year 1974 was available to SEAs and LEAs for obligation until the close of business on June 30, 1975. Before this provision was enacted, the recipient had to obligate the funds by the end of the fiscal year for which they were appropriated--in the case of the above example, by the close of business on June 30, 1974. Any funds that were not obligated within the statutory period reverted to the Treasury Department.

Most SEAs and LEAs cannot effectively use funds awarded late in the program year for which they were appropriated. In particular, under a normal administrative cycle, LEAs cannot revise a program plan to include additional personnel and pupils when a significant increase in funds occurs during the spring semester. Therefore, before the enactment of the carry-over provision, the SEAs and LEAs frequently used late funds to purchase equipment or instructional supplies. Obviously, these purchases (referred to as the "June spending spree") were an ineffective and wasteful use of program funds.

The carry-over provision provides states and school districts with a viable alternative to the "June spending spree." SEAs and LEAs have opted overwhelmingly to exercise the carry-over authorization and to use funds during the subsequent fiscal year.

Informally, it appears that USOE personnel do not encourage carry-over on a regular or expanding basis. Grant recipients, however, almost universally indicated that carry-over is an invaluable administrative device. Indeed, SEAs and LEAs explicitly plan to have carry-over funds with which to implement the program in the subsequent year.

The following illustrate SEA and LEA comments with respect to carry-over.

- SEA-1. In fiscal year 1974, the SEA received an award of $600,000 for Part B of the Education of the Handicapped Act (Title VI of the Elementary and Secondary Education Act of 1965). Because the 1975 appropriation was subject to continuing resolutions and a proposed rescission, the SEA issued subgrants for 1975 assuming the same funding level as for 1974. However, the SEA received its final 1975 award in May 1975 for $1,300,000, or $700,000 more than had been anticipated. Rather than attempt to spend an amount during June equal to that spent throughout the prior eleven months, it retained the additional $700,000 as carry-over funds for 1976 programs.

- SEA-4. Demonstrating the value and need for carry-over, this SEA substantially offset a 20 percent reduction in fiscal year 1975 funding for Title III of the Elementary and Secondary Education Act of 1965 by using carry-over funds to reduce the impact of a potentially significant reduction.

- SEA-6. This SEA frequently has large carry-over amounts as a result of notification of final award amounts after major program commitments. Large carry-overs are not considered unusual or exceptional but as normal administrative actions required for managing federal programs. For this state, the exact amount of carry-over was related to the extent of the annual variances in program amounts and final award dates. Further, program planning and implementation specifically included provision for large carry-overs. In summary, they stated that effective use of funds would not only be difficult but "virtually impossible" without the carry-over provision.

- LEA-3. At this district, a Title I carry-over is neither separately budgeted nor intentionally planned. Rather, carry-over results from delays in the approval of plan amendments by the SEA and increases in the LEA Title I award based on late increases to the SEA award. Without carry-over funds in the LEA, the summer school projects could not be funded, and programs could not be initiated at the start of a school year.

- LEA-9. This LEA intentionally budgets for a Title I carry-over of $300,000 each year for salary costs during the first quarter of the subsequent year. To illustrate the need for this approach, as of September 5, 1975, the LEA had not received its Title I award for fiscal year 1976.

In Some Instances, SEAs Use Carry-Over Funds Exclusively to Support the Current LEA Program

Late federal funding of some programs often encourages SEAs to allocate carry-over funds to LEAs as current funds. In fiscal year 1975, this was particularly true for programs funded under Part B, Education of the Handicapped Act, and Title III, Elementary and Secondary Education Act of 1965 (Title III). The following examples illustrate this process.

- SEA-1. This SEA annually selects local programs for EHA funding through a competitive proposal process. Because of late funding, however, carry-over monies are used to fund the projects. For example, the SEA received its fiscal year 1975 award in May 1975, solicited proposals due in June 1975, and issued grants in July 1975 for the following year. Thus, the USOE fiscal year 1975 award was used to fund fiscal year 1976 programs.

- SEA-2. To compensate for late funding, Title III grants to LEAs are funded through carry-over funds. Thus, LEAs can prepare program plans knowing the amount of SEA funds for which their proposals are in competition.

- SEA-3. EHA programs are awarded to LEAs through a competitive proposal process. The SEA must, however, have the funds available (an award) before a request for proposal can be issued. This SEA's procedures require from two to six months before awards can be issued and up to nine months for Title III awards. The combination of late federal funding and the intrastate grant award process has resulted in the funding of current EHA and Title III programs in the LEAs from prior year SEA carry-over funds. This process, "backward funding," ensures that LEAs have ample time to prepare proposals.

Contrary to Preliminary Expectations, the ESEA Title I Hold-Harmless Provision Does not Appear to Have Dramatically Improved the LEA Planning Cycle

Enactment of the ESEA Title I hold-harmless provision was intended to establish a minimum LEA award amount for planning purposes. This provision, Section 144 of the Elementary and Secondary Education Act of 1965, states that:

> The allocation of a local educational agency which would be reduced... to less than 85 per centum of its allocation under Part A for the preceding fiscal year, shall be increased to such amount.

This "guarantee" of a minimum award of 85 percent, however, is operational only if (1) ESEA Title I, Part A, appropriations are approved and (2) the appropriation is at least for 85 percent of the prior year appropriation. Without the first condition, no new grant awards can be issued by the USOE; without the second, the awards issued would be ratably reduced.

The site visits indicated that LEA personnel are generally advised to prepare their initial plan for this 85 percent level of effort, plus the available carry-over funds. Despite the intent of hold-harmless to provide local districts with a sense of funding, those interviewed stated that they are still confronted by five major problems:

- uncertainty about actual appropriation approval;
- uncertainty about the amount of appropriation approvals;
- local, state, and federal grant regulations which require a grant award document to be received by the agency before issuing purchase orders;
- local and state personnel policies which prohibit either the employment or assignment of personnel to a federal program prior to the receipt of the grant award document; and
- the need to subsequently revise and amend the Title I plan in response to the actual funding level.

Illustrations of these problems have been previously provided throughout this section.

FINANCIAL MANAGEMENT

Effective program planning also includes the preparation of a budget to depict the revenues available to the local or state education agency and how the revenues are to be used by major functions (e.g., personnel, supplies, and equipment). The program budget depicts, in detail, the portion of the agency budget allocated to that program. For example, the program budget may identify the personnel by position, the types of supplies, and the specific equipment. The program or project budget is used to control expenditures, assist the management of cash, and project cash flows. These functions are necessary to ensure that the program operates within its budget and that the cash will be available when disbursements are made.

In general, local education agencies will account for and report on revenues and expenditures by functional area. For federal education programs, however, the SEAs and LEAs are required to report on activities by award as well as by functional area. This section, therefore, will address the impact of late federal funding on the following components of financial management:

- budgeting;
- expenditure control;
- purchasing;
- cash management and flow;
- accounting; and
- financial reporting.

State and Local Education Agencies Often Must Have Budgets Prepared and Approved Without Knowledge of the Federal Levels

Many SEAs and LEAs operate on a fiscal year ending June 30, and state school laws generally mandate that the agencies have an approved budget prior to the start of a fiscal year. Although the approved budget generally includes the anticipated revenues from all sources, revenues for federally funded programs have been difficult for the SEAs and LEAs to accurately project. Before the initiation of advance funding for programs such as Title I, the appropriation act funding the programs was approved well after June 30, and the joint resolution for continuing appropriations was usually approved in late June. Even with advance funding of Title I, the SEA and LEA allocations were not known until late July 1975. Programs with competitive grants, as illustrated in the Catalog, are frequently awarded in May and June.

Local school districts are often legally required to have an approved budget before the start of the fiscal year (usually July 1). However, since the receipt of federal grant awards often occurs after that date, local school boards may approve the federally funded portion of the budget based upon only estimates.

Some state laws require that funds not be obligated or disbursed in excess of the approved budget. Thus, if an LEA receives a grant award not included in the agency budget, the finance department could neither obligate nor disburse funds. Or, if the approved budget includes ESEA Title I at an 85 percent hold-harmless level, but the LEA is awarded 100 percent, the additional 15 percent may not be available for obligation or disbursement.

The following are illustrative of this problem.

- LEA-11. This district's schedule of budget actions was the following:
    - December 1973, LEA program personnel submitted budget requests to the LEA budget office;
    - January 1974, the agency budget request was submitted by the administration to the school board;
    - January through April 1974, the school board held public hearings on each of the major functional areas of the proposed agency budget;
    - May 1974, a letter was received from the SEA which estimated the FY 1975 Title I award as 100 percent of the FY 1974 award;
    - May 1974, the school board approved a tentative agency budget;

- June 1974, a letter was received from the SEA which revised the FY 1975 Title I award estimates downward to 85 percent of the FY 1974 award, since continuing appropriations had not been approved;

- June 1974, the school board appoved the final FY 1975 agency budget;

- July 1974, a letter was received from the SEA which revised the FY 75 Title I estimate upward to 90 percent of the FY 74 award, since continuing appropriations had been approved at that level on June 30, 1974; and

- March 1975, received the final FY 75 Title I award of 115 percent of the FY 74 award.

Thus, knowledge of the level of federal funding often occurs after the budgeting cycle for non-federal funds is completed, which raises substantial uncertainties.

Without Firm Knowledge of Funding Levels, the Support Requirements for Federal Programs Cannot Be Effectively Budgeted During the Regular Budget Preparation, Review, and Approval Cycle

State and local support requirements for federal programs fall into two major areas: administrative, which applies to all programs; and matching, which is only required for some programs.

Education agencies are responsible for delivering the education programs and accounting for the use of the funds. For example, in some agencies, a program director's salary may be paid from local revenues so that the federal revenue may be used for a teacher's salary. Or, the cost of accounting and reporting for federal program funds may be absorbed by local revenues.

As described previously, the agency often prepares budgets before the level of federal funding is known. For continuing programs, such as Title I, portions of local revenues can be budgeted for program administration, since the district can be reasonably sure that the program will be funded.

Programs funded on the basis of competitive proposals, however, present substantially different problems. Awards under such programs as the Emergency School Aid Act (ESAA) or Title III of the Elementary and Secondary Education Act of 1965 are frequently issued in June or July. Although LEAs know that certain administrative costs will be paid by the USOE, if an award is received, they lack assurance during the budgeting cycle that an award will in fact be received. Occasionally, the announcement for proposals will even be issued after a significant portion of the budget cycle is complete.

Late awards for programs which require local matching or contribution present another budgeting dilemma. The LEA may need to reserve sufficient funds for either (1) an award of the full proposal budget or (2) an award of less than the full proposal budget. The following examples illustrate this problem.

- SEA-2. LEA budgets in this state are prepared prior to January 1. Allocation of local revenues to match federal revenues becomes an increasing problem the later in a calendar year the amount of federal funds for the LEAs becomes known.
- LEA-1. State policy mandates a fiscal year ending December 31. Budgeting for the July 1 to December 31 period is difficult, because federal awards covering that period will usually be received in July and August. As a result, when the budget is prepared, this LEA can only estimate the funds necessary to participate in matching programs during those six months. In budgeting Title I for the period January 1 to June 30, 1975, which had been implemented in September 1974, this LEA had an approved budget on January 1 but received the final award in March 1975. Thus, even the final Title I award was not reflected in the budget approved in the middle of the school year.
- LEA-11. To compensate for uncertain federal funding, this LEA reserved $100,000 of its fiscal year 1976 budget as a contingency fund to be used for federal program support. This fund will primarily be used to attract and support any federal program awards which the LEA had not anticipated, such as for matching funds or additional administrative expenses.

A State or Local Decision to Continue a Lapsed Federally Funded Program Cannot Be Incorporated into the Agency Budgeting Cycle Because of Late Funding

Several federal programs provide funding of innovative or exemplary educational programs, often referred to as pilot projects. These projects are usually discretionary and funded for one year. However, an informal understanding may exist that a second or third year will be funded if (1) the program shows satisfactory results and (2) federal funds are available. Examples of this type of federal program include the Emergency School Aid Act and ESEA Title III.

Obviously, LEAs with such pilot projects face an annual uncertainty about continued federal funding. In some cases, pilot projects have been sufficiently successful that the local agency will assume responsibility for the project if it is not refunded by the Federal Government. However, issuance of grant awards in June and July presents the agencies with a severe funding uncertainty when the agency budget is being prepared. The following illustrate this dilemma.

- LEA-4. Since, like most LEAs, the budgeting cycle at this district is ahead of the federal funding cycle, the LEA faces two dilemmas: (1) how much of the local revenues should be budgeted to continue operating a federal project which the LEA desires and for which continued federal funding is uncertain, and (2) what level of federal funds to include in the budget. If local funds are budgeted to continue a program which is subsequently federally funded, the LEA may have inadvertently misallocated its resources. Conversely, if the LEA budgets a program from federal funds and fails to receive the award, a desirable program may have to be discontinued. This continued annual uncertainty aggravates the practice of good budget preparation.

- LEA-7. This LEA determines its educational needs and designs a curriculum which addresses those needs to the maximum extent possible within the available federal/state/local revenues. Late and uncertain federal funding, especially for discretionary programs, hampers the ability of the LEA to efficiently allocate its state/local resources when a needed program might or might not be funded by a federal grant. This dilemma is true for both the initial and continuation year for the program. As a result, the personnel in this LEA stated that they will not submit a proposal if funding is known to be available for only one year, or if a small grant is not reasonably assured of funding for three years. Therefore, by its own decision, it fails to capitalize on a potentially available resource.

Purchasing Delays Caused by Late Funding Often Result in the Receipt of Program Material Well After the Program Has Been Implemented

The Interim Audit Instruction C-10 issued by the HEW Audit Agency for the Elementary and Secondary Education Act of 1965, Title I, stated that the auditor should ascertain that:

> ...local agency obligations were not incurred prior to the effective date of approval of the State application nor prior to the approval of the local agency project by the State agency... (Audit Procedures Section, Part II, Item 5 (b))

Although the LEAs may employ personnel and implement programs, most are hesitant to purchase material before receiving the award document. Delivery of educational supplies often takes from one to six months. Since most grant awards are received after August 1, the material frequently arrives at the schools after classes have started.

- SEA-3. Although some LEAs in this state may hire program personnel before receipt of the award, the majority of LEAs are unwilling, or legally prohibited by state or local dictums, to purchase materials. Since the vendors require from three to six months to fill a purchase order, the program materials frequently become available only at the start of the spring semester.

- SEA-4. No purchase orders will be issued by many LEAs in this state until after funds are received. Although this delay reduces the risk to the LEA and eliminates any potential costs of borrowing, it may also reduce the effectiveness of the educational program.

- LEA-1. This LEA cannot issue purchase orders prior to the receipt of the grant award. Consequently, purchase orders are issued during the summer, but the material is not received until well after school opens. For example, purchase orders for an Emergency School Aid Act program were issued and program funds obligated between October 1974 and March 1975. As of August 31, 1975, some of those orders had not been filled. Those unfilled orders had to be cancelled, and the deobligated funds reverted to the Treasury Department, since all allocations were not liquidated by August 31, 1975.

- LEA-3. Personnel in this LEA stated that purchasing is also hampered by substantial delays on the part of the vendors who supply instructional material and equipment, but the actual impact varies by program. For example, a school which has an ongoing program may not be severely affected, but substantial problems may exist for a newly implemented program.

- LEA-14. In this district, all federal programs are hampered by delays in purchasing educational materials. Since almost all awards are issued after July 1, purchase orders cannot be issued early enough to ensure delivery before classes start. As a result, teachers feel their efforts are frustrated and the potential effectiveness of the programs diminished when program material is not available.

Delays in the Timely Receipt of Federal Cash Often Force Local Education Agencies to Borrow the Cash Needed to Make Federal Program Expenditures

Problems of cash management and flow exist in two situations. In one, a state or district initiates an activity before knowing whether it is to be approved as a federal program. In this case, the effective date of the grant award document determines whether the LEA is reimbursed for any obligations incurred. In the second, the state or district expends funded program costs before receiving grant funds. For example, Title I is the largest single source of USOE program funds for many school districts. In many states, Title I applications are approved as of the date on which the application is received at the offices of the SEA. Grant awards, however, may be issued several months later. Title I programs may be implemented when regular classes start even if the award documents have not been issued at that date, if the application has been approved. As a result, these LEAs have to borrow funds to pay the operating expenses of the program until the award is issued and the federal funds are received.

Although some LEAs will borrow for formula-funded programs, such as Title I, very few will take this risk for a project that is part of a competitive proposal.

As a result of the federal policy of reimbursing rather than advancing project grant funds even after an award has been received, LEAs may have to borrow funds to pay the operating expenses for the federal programs, pending reimbursement.

LEA personnel identified two sources from which funds are borrowed to pay federal program obligations: (1) local funds and (2) commercial financial institutions. Borrowing from local funds is usually done with no interest cost but with the loss of potential investment income. Borrowing from commercial financial institutions, however, involves an interest cost, which must be paid from local funds, since it is not reimbursable under the grants.

SEAs, however, generally do not have problems with cash management and flow, primarily because they do not as a matter of policy disburse funds before receiving cash through the letter of credit system.

- SEA-7. State personnel described a unique cash flow problem of a district. The superintendent borrowed money from a bank for the first quarter of the Title I program. When he sought a loan for the second quarter, however, the bank refused. Consequently, this LEA had to curtail its Title I program in the middle of the fall semester.

- LEA-2. In fiscal year 1976, this LEA anticipated receiving its first Title I payment in December 1975, even though the application was submitted in April 1975. This LEA paid Title I salaries by borrowing from local financial institutions and paid the interest cost from local funds. Further, this LEA also applied for several vocational education grants for the 1975-76 school year, most of which were approved. One of the grants, a summer curriculum project, was operated during the summer of 1975, but disapproved by the SEA in September. As a result, local funds were used to pay for this project.

- LEA-8. To protect against the possibility of federal funds being received late, local funds were withdrawn from the investment portfolio to pay federal salaries (which averaged $90,000 per pay period for Title I) and thus substantial investment income was lost.

- **LEA-10.** This LEA implements programs prior to final funding notification and then borrows funds to pay expenses. This added interest cost of 6 percent per annum must be paid from local revenues.

- **LEA-12.** This LEA faces a 60- to 90-day lag between the submission of the monthly reimbursement request to the SEA for a federal program and the receipt of the reimbursement check. As a result, this LEA is forced to float federal program expenditures out of local funds for 120 days.

- **LEA-13.** Because of the presence of major federal facilities in the district, this LEA recieved $9 million of P.L.-874 funds in fiscal year 1975. Since the months in which these funds will be received cannot be reasonably predicted, its ability to effectively prepare cash flow projections is severely hampered and thus requires that a higher than desirable balance of local funds be maintained in checking accounts.

Federal Program Expenditure Control by LEAs Is Impeded by Late Funding

The local education agency submits a budget with its proposal for federal funding. During the negotiations between the approval/acceptance of the proposal and the issuance of an award, the LEA revises the budget to conform to the actual amount of the award. Later revisions to the amount of the award, such as occurred with Title I during fiscal year 1975, result in the LEA making further revisions to that budget. Some LEAs will hire staff based upon the anticipated funding but will only issue contracts for that period which can be funded by the 85 percent hold-harmless provision and any available carry-over funds.

Revisions--actual and potential--present an LEA with problems in controlling program expenditures. For example, an LEA may decide not to purchase materials with the first quarter Title I award in anticipation that the award will be increased after the appropriation act has been approved. Another LEA may plan purchasing in anticipation of later award increases. If that increase fails to materialize, purchasing may have to be reduced or eliminated to ensure that funds are available for salaries. Or, an LEA may staff a Title I project with a larger number of paraprofessional aides than actually required, since their employment can often be more readily terminated than a certificated teacher's if the anticipated funding fails to materialize. The situations below illustrate these potential impacts.

. SEA-3. Some districts in this state issue Title I program personnel contracts for 85 percent of the academic year (on the basis of the hold-harmless provision) and extend the contract for the full year only after funding becomes known and available.

. SEA-5. Technically, no LEA in this state had an approved Title I project when the 1974-75 school year began. Since the USOE had not approved the state plan, LEA program plans had been accepted but not approved by the state when regular classes started. Although the approval of the state plan was anticipated, the Title I staff employed as of the start of the school year were technically in a locally funded program. In response to this funding uncertainty, SEA personnel stated that many LEAs had issued 15- or 30-day contracts to the Title I staff while awaiting formal approval.

. SEA-8. SEA personnel stated that a common LEA strategy in the state is the firing of paraprofessional employees to maintain the certificated staff, particularly when significant salary increases are included in the contract with the teachers union.

. LEA-6. Local district administrative personnel in this LEA claimed that uncertainty as to final funding often causes them to select less desirable program options and to operate programs less effectively. For example, an LEA might staff programs with employees who lack job protection rights, such as paraprofessionals, so that they can be terminated if funding is subsequently not available.

. LEA-10. One technique employed in this district to minimize its exposure from a loss of anticipated federal funding is to plan a program with a higher percentage of paraprofessionals than the program would normally require. Should the actual funding be less than anticipated, these persons can be terminated more easily than a teacher, since they lack, under local school board policy, employment maintenance rights.

Carry-Over Funds, Which Originated as a Result of Late Federal Funding, Increase the Accounting and Reporting Burdens of State and Local Education Agencies

Most state and local education agencies indicated that carry-over funds result from late federal funding. In particular, fourth-quarter program increases often are merely retained as carry-over funds.

Since LEAs and SEAs must account and report on federal funds by award, available carry-over funds become additional fund accounts in the accounting system, with additional reports required. Nevertheless, many local education agencies recognize that the inherent administrative flexibility and other advantages of carry-over funds are worth the additional administrative efforts involved.

For example, SEA-7, as of November 1, 1975, was accounting for federal funds for five fiscal years, each of which had to be accounted for on an individual fund basis and reported upon separately.

PERSONNEL ADMINISTRATION

Professional and nonprofessional personnel are the primary resources of the elementary and secondary education process. Three types of persons are typically involved: professionally trained educators, such as teachers; paraprofessional personnel, such as aides; and professionally trained administrators, such as program directors and coordinators.

Personnel administration includes such facets as negotiating union contracts, employing personnel, and evaluating employee performance. For the purposes of this study, it includes particularly personnel recruitment, employment, assignment, and retention. The major personnel administrative impacts identified during the survey are discussed below.

Late Federal Funding Reduces the Ability of LEAs to Find and Hire Professional Personnel with Specialized Skills, Who Are Relatively Scarce in Some Areas

Federal programs sometimes require specialized professional skills. For example, a bilingual program needs persons who can fluently speak both English and a specific second language. A Title I program may need reading specialists, and a program involving education of the handicapped needs people who are trained to effectively teach handicapped children.

Although many geographical areas have a sufficient number of teachers, this is not generally true for instructional specialists. The following examples illustrate some of the problems.

- LEA-4. In this district, minority population counselors and reading specialists are difficult to employ after May 1. Since the Title I program funding is unknown at that time, and since the LEA will not issue an employment contract until the award has been received, the LEA has difficulty obtaining the preferential personnel. This results in delay in program implementation, smaller programs, or both.

- **LEA-7.** From prior experience, district personnel recognize that the most experienced and effective teachers are not willing to wait until the summer to sign an employment contract for September. To assure the availability of qualified personnel for federal programs, this LEA will on occasion employ a teacher under a regular contract. As necessary, the LEA may reassign a teacher during a school year from a regular to a federal program.

- **LEA-8.** In a progress report on a basic Equal Educational Opportunity grant for fiscal year 1975, this LEA reported that, "counselor aides were recruited and assigned in September and October rather than . . . August, because of the unavailability of applicants."

- **LEA-9.** This district has suffered from a lack of sufficient time after the receipt of an award to hire specialists. For example, two days before classes started, five mathematics teachers, seven reading teachers, and seven teacher-aides had yet to be hired for the Title I program.

Many Local Education Agencies Postpone the Hiring of Federal Personnel Until After the Award Has Been Received

Local education agencies may contract and be reimbursed for personnel service commitments made prior to the effective program award date, provided that the services are performed after that date. (This is in contrast to the purchase of supplies and equipment, where the agency may not obligate funds prior to the effective program award date.) Many LEAs, however, are reluctant to enter into binding personnel contracts prior to the receipt of the award, even though personnel is a major project component.

The illustrations below suggest some of the major hiring problems caused by late funding.

- **SEA-1.** Many LEAs in this state have not been able to issue contracts to Title I personnel at the same time that contracts are issued to other personnel, thus reducing their ability to hire the desired personnel. For example, although an LEA had completed interviews for Title I personnel before funding was known, by the time that the funding notification arrived in August, over half of the teachers had taken other jobs. In the words of the superintendent "the director of personnel simply cannot hold positions open until August and expect to get the best possible teachers." Another LEA echoed the same sentiment to the SEA: "No vacant Title I positions were filled until funding was received in July. In the meantime, some excellent teachers were no longer available for employment."

. SEA-3. This state indicated that many LEAs are reluctant to employ personnel for federal programs unless they are reasonably certain of the amount of federal funding to be received. This, in turn, often occurs after regular personnel have been hired.

. LEA-3. According to state regulations, by April 1 all tenured teachers automatically receive a new contract for the subsequent year. Due to late funding, vacant non-federal positions remain unfilled to allow for possible absorption of federally funded and tenured teachers. Therefore, the entire hiring process, for regular as well as federal positions, is delayed.

. LEA-5. Following a conservative fiscal policy, this LEA will not employ personnel for a federal program prior to receipt of the grant award. In addition, vacancies must be announced in a local Education Association Publication, which is only issued during the academic year. The LEA must then wait another one or two weeks after publication before it can fill the vacancy. As a result of these procedures, new positions created by an August grant award cannot be filled before school begins.

. LEA-7. District policy is to notify or hire the professional staff by April. Since most federal program awards are received during the summer months, personnel whose employment is contingent upon federal funding are notified of employment from two to six months after regular contracts have been issued, which results in substantial negative impacts on personnel morale.

- LEA-16. To avoid the possibility of hiring and shortly thereafter firing new teachers, this LEA hired no new teachers for the 1975-76 school year until notification was received of funding for a competitive Emergency School Aid Act proposal. On August 1, 1975, the LEA received the ESAA award but for only 50 percent of the proposed budget. This reduction eliminated 40 professional positions that had been previously funded. Some of these positions, as well as 23 non-federal positions which had also been eliminated via the local budget, were filled by tenured teachers. This sequence of events precluded the hiring of educational specialists experienced in the particular program, thereby also adversely affecting program quality.

Local Educational Agencies May Issue Teacher Contracts Which Are Contingent Upon Receipt of the Federal Funds

LEAs in states without state code continuing contract provisions may issue contracts to federal program personnel before receipt of the award. Frequently, however, these contracts differ from the regular teacher contract. The "federal contract" may state that employment shall be contingent upon receipt of federal funds and for the duration of the grant period only. The variety of techniques used by LEAs are illustrated below.

- SEA-1. This state reported that "Because of late and uncertain funding . . . the school system decided to give Title I teachers under regular contract a choice of either a letter of contingent employment or of returning to a regular classroom and retaining the regular contract. Some teachers . . . fearing the worst. . . signed a contingent letter of employment because of their desire to remain in the Title I program."

- SEA-3. Under state recommended policy, LEAs may issue contracts that are subject to the receipt of the grant award. Other LEAs will issue Title I personnel contracts for 85 percent of the academic year, based upon the hold-harmless provision, and extend the contract for the full year only when, and if, the federal funds become available.

- **LEA-1.** Each spring vacancy notices for positions in federal programs which the LEA believes will be funded and vacant are announced. The vacancy notice states that all positions will be filled "subject to funding." For example:
  - "Position Title-Curriculum Specialist - Teacher on Special Assignment (one year only) . . . Note: This position cannot be filled officially until funding has been approved under Title IV, U.S. Civil Rights Act of 1964;"
  - "One year assignment . . . Continued employment is contingent on satisfactory performance and availability of other positions;" and
  - "This position is for one school year only. Its existence is contingent upon funding under ESAA proposal."

  The effect of these statements on recruiting, retention, and morale, although not quantifiable, is obviously severe.

- **LEA-4.** The professional personnel policies of this LEA define a grant contract as "Teachers filling positions which are funded by grants of funds . . . may . . . be awarded contracts for the term of the grant and conditioned upon the continued availability of funds during the term of the grant. . . No notification as to re-employment shall be required and the grant contract shall end upon (the grant) termination date. The teacher employed under a grant contract shall have no right to continued employment after the term of the grant contract." For example, January 1975, the LEA sent termination notices to most of the Title I staff because the award received under the continuing resolutions expired December 31, 1974, and the award under the appropriation act had not been received. Only by considerable last minute efforts, including reallocating the available carry-over funds and reducing the budgeted level of purchasing, were these persons retained.

LEAs Which Reissue Contracts for Federally Funded Positions Prior to Receipt of the Award Document Delay the Assignment of Personnel Until Formal Notice Is Received

LEAs that operate under a state code continuing contract provision frequently delay both hiring new personnel and assigning teachers to federal positions until after the grant award has been received and the number of such positions can be determined.

Although the teachers may be secure about their employment, they do not find out where and what they will be teaching until classes begin.

- LEA-1. By state code this LEA must issue the same type of contract to all personnel, regardless of the funding source. However, although assignments are issued during April and May, federal assignments are issued "subject to funding," because the grant awards supporting those positions are received after June 1.

- LEA-8. In this LEA, teachers under continuing contracts assigned to regular programs receive upcoming assignments before the current school year ends. Those assigned to a federal program, however, receive their assignments after the award for that subsequent year has been received. This late assignment of teachers often reduces the amount of time available to plan classroom activities from approximately two months to about two weeks.

Uncertainties and Funding Delays in Federal Programs Hinder the Recruiting and Retaining of Federal Program Personnel

In many areas, educators with specialized skills are in short supply. These educators therefore can be selective in choosing instructional positions and can readily obtain employment contracts in the spring. Frequently, they are unwilling either to wait until the summer months to obtain a contract or to enter into a contract in the spring which is "subject to" the availability of federal funds.

Conversely, under current economic conditions, teachers who lack those special skills and may be unable to obtain satisfactory employment will be willing to either sign a contingent contract or to wait until the summer to enter into a contract. The following are examples.

- SEA-1. Currently the number of certified teachers within this state exceeds the available positions. Faced with the prospect of being hired for a federal program in August without a continuing contract, rather than in March or April with a continuing contract, many teachers, obviously preferring the security of contracts paid from local funds, seek new positions that may be less attractive professionally but more secure economically.

- SEA-2. The continuing contract clause of the state code provides for the automatic renewal of contracts on April 15 for non-tenured teachers. Frequently, however, the LEAs in this state receive notification of federal funding during the summer. As a result, the SEA personnel related that many of the LEAs dismiss non-tenured teachers in federal programs each spring. After the funding does become known, some of these dismissed teachers may be rehired. Some of them, including those more experienced, will refuse an appointment to a federally funded position to minimize the possibility of being dismissed the next spring.

- SEA-7. Although professionally attractive, the uncertainty of continued authorization and funding of Title I and handicapped education programs makes them clearly less desirable to the personnel throughout this state. When assignments to federal program positions are delayed, the staff will seek transfers to programs funded by the state or the district. In addition, the better-qualified persons are difficult to attract for federal programs, and staff morale is low because of the annual uncertainty about the funding for their positions.

- LEA-3. The first year this LEA had an Emergency School Aid Act program, reading specialists were willing to transfer into the program because they anticipated that the work would be enjoyable and challenging. At the end of the first year, about one-half of those now experienced specialists sought transfers back into regular positions because of job insecurity.

- LEA-4. Occasionally, this LEA will attempt to have the better federal program personnel appointed to positions funded by state or local revenues, rather than risk the loss of their talents because of uncertainties regarding their continued employment within the district in the federal position.

- LEA-5. Title I staff have attempted to obtain locally funded appointments in other districts because of employment uncertainties created by late funding. In response, the district offers some of the more qualified Title I staf staff locally funded positions in order to keep them, thus removing from the program the most experienced personnel.

- LEA-8. Under its state code, this LEA must issue the same contract to employees paid from federal, state, or local monies. In particular, the state code requires that:

  > A teacher who has not acquired tenure shall be deemed to be re-employed for the succeeding academic year...unless the board thereof causes written notice to the contrary to be given to said teacher on or before April 15 of the academic year during which said teacher is employed.

  As a result, all teachers under probationary contracts assigned to federal programs are dismissed in the spring.

Frequently the Most Qualified Persons Cannot Be Employed and Retained in Federal Programs

State and local education agency personnel indicated that federal programs are generally staffed by competent individuals. Frequently, however, qualified personnel cannot be employed for federal programs because of funding uncertainties and the resulting attitudes regarding federal positions.

- LEA-2. This LEA, in high risk management response to late funding problems, hires all personnel as regular employees and then assigns them to programs, unlike many LEAs which hire personnel specifically for regular or federal positions. Although this policy avoids the loss of experienced personnel, the risk of serious financial consequences exists if funding expectations are not met.

- LEA-3. Because teachers are acutely aware of the uncertainty and differences between federally funded and general operating funded positions, they believe that the least qualified teachers and paraprofessionals are involved in their federal programs.

- LEA-4. In this district, federal programs represent a small percentage of the operating budget, and federal positions could probably be absorbed into the regular programs if necessary. Consequently, unlike many LEAs visited, the personnel contacted in this LEA stated that very few federally funded personnel desire to leave the program, that personnel in regular positions would like to be able to enter the program, and that personnel in the program are well qualified and experienced.

PROGRAM EFFECTIVENESS

The site visit interviews included an evaluation of the impact of late federal funding on program effectiveness. However, these interviews indicated that the stated program objectives are frequently written so that they can be met regardless of the award date or amount. For example, an ESEA Title I program objective for several LEAs visited was for a participating student to show a one-month increase in reading achievement for each month of program participation. Thus, program success in terms of meeting the stated objective becomes a function of a time period adjusted to compensate for late funding.

The real impact of late and uncertain federal funding appears to be with regard to the potential effectiveness of a program. The preceding sections have indicated how the impacts of late funding on program planning, financial management, and personnel administration have diminished the potential program effectiveness.

- SEA-3. For the federal program personnel throughout this state, job insecurity and the lack of adequate materials on a timely basis result in (1) a higher than normal turnover of personnel, (2) an annual requirement for in-service program training for new personnel in the program, and (3) a limitation on the potential effectiveness of the program.

- SEA-5. In response to uncertainty about the availability of federal funding, this state reserved $1 million of state revenues to support vocational education programs for the middle grades in fiscal year 1976. With these state funds, the programs could operate at 60 percent of the anticipated level of federal/state funding. Rapid hiring to the 100 percent level by LEAs once the federal funds are awarded, however, is not a realistic expectation. As a result of this funding uncertainty, the SEA personnel expect the program performance to be adversely affected.

- SEA-6. Many of the LEAs in this state, particularly the smaller ones, will not implement a federal program until the award is received, thus reducing the potential effectiveness of those programs. Larger LEAs, although beginning the programs earlier, may delay the purchase of desirable non-personnel items until funding is known. In one situation, for three consecutive years, textbooks were not received until after program termination.

. LEA-14. The local business community had indicated a willingness to participate in a vocational education program to extend the concept of the education process beyond the school to the area of employment and the community. (Special Projects Act, Career Education, P. L. 93-380, Sec. 406(d)(4).) The LEA submitted a competitive proposal to implement such a project and received funding for fiscal year 1976 to pay for the salary of the program coordinator. Since the first year of a program is crucial to its potential long-range success, the proposal identified several key actions which were to be performed by September 30, 1975. First, the program coordinator was to be hired and start work on July 1, 1975. Second, during the months of July and August, the coordinator was to contact the business community to solicit participants. Third, a preliminary list of willing participants was to be prepared based on the contacts. Fourth, a questionnaire was to be developed which would solicit the participation of the parents of the school children. Fifth, this questionnaire would be distributed in September, and the parents included on the preliminary list of participants. Sixth, the guest teachers would be available in September to address classes about the interrelationship of the business world with academic subjects, e.g., the use of mathematics and measurements by a carpenter.

These actions started 1-1/2 months behind schedule because the LEA actually received the award in late July 1975, and the coordinator was actually hired in early August, which pushed the entire program far behind the original schedule. Further, the delay prevented many guest teachers from participating because of the district's inability to schedule in advance, thus severely restricting the overall purpose of the program.

COMMUNITY IMPACT

Throughout the country, local communities are becoming increasingly involved in the program planning processes of state and local education agencies. This has resulted from a combination of the desire of those education agencies to seek community input and of the federal education laws which mandate parental involvement in programs such as the ESEA Title I program.

Community Expectations Are Frustrated and Unfulfilled Partly Because of Late Funding

Increased community participation has resulted in a growing awarenes of the problems created by late and uncertain federal funding and frustration about those problems. The following illustrate the comments made during the site visits.

- SEA-3. State personnel have seen a substantially increased involvement of the migrant community leaders in Title I Parent Advisory Councils. This has resulted in an increased awareness of the delays in program implementation, the unavailability of materials during the first months of a program, the lower quality of the instructional personnel, and the potential effects these have on the quality and effectiveness of the program for their children.

- SEA-6. The SEA personnel stated that parent expectations and the image of educators in the community were major problems. The involved parents are often unschooled in bureaucratic processes and are willing to accept them as explanations for the problems.

- SEA-9. The Parent Advisory Councils in the LEAs dislike planning in a funding vacuum and frequently ask why the federal funding level is unsure. In reaction to this problem, the SEA has conducted statewide training sessions for parents on the federal funding problems.

- LEA-2. Parents of Title I children became angry when the LEA had limited program spending during the fall, when the Title I award was tentative and expenditures restricted to salaries, and then the LEA had surplus funds available in April and May when the final award was received.

- LEA-8. While discussing the impact of late funding on the parents of the school children, the LEA personnel provided a copy of a letter sent by the LEA Parent Advisory Council to their Congressman, expressing the major concerns about the ESEA Title I program:

  > At the present time, our Project serves approximately 5,120 students in a variety of programs, ranging all the way from a Special Learning Program to Health Services for needy children. The project serves half the schools in the District and employs approximately 100 people, half of whom are paraprofessional. . . . each of these programs is meeting a need in our District. These needs and the Title I Programs have been identified by a cross section of the community--parents of students in the Program, other interested citizens, and (LEA) personnel.
  >
  > . . . it would be impossible for the District to continue these much needed programs should our Title I project cease to receive funding from the Federal Government. The mere size of the Project in terms of students served and services provided indicates the need for the specialized kinds of services that are provided by ESEA Title I. . . .
  >
  > May we appeal to the Congress to do whatever it can to see that the much needed programs are not the victims of the process of resolving the issue of federal funding for education. . .

In summary, the following quotes from two state educational departments convey the attitude expressed by many of the state and local education agencies visited:

- "The Federal Government, the state government, and the school districts have a mutual obligation to obtain the utmost educational effectiveness in the Title I funded programs. The Federal Government is quite limited as to what it can do beyond providing authorizing legislation and appropriations."

- "To be accountable is to plan. How can we plan if we don't know? If you want schools to really be accountable for the goals and objectives of Title I, ESEA then tell us far enough in advance what our funding will be."

VI. CONCLUSIONS AND RECOMMENDATIONS

The purpose of this section is to (1) summarize the findings of the telephone interviews and site visits and (2) outline recommendations to strengthen the effectiveness of the programs while maintaining the appropriate level of Congressional and USOE oversight.

The detrimental effects of late and uncertain federal funding previously identified are not only substantial, but also persuasive in their impact on almost all the administrative and programmatic functions involved in delivering educational programs by both state and local educational agencies. Indeed, the problems created by late and uncertain federal funding are considered to be the most critical of all the potential problems of grants and contract management.

Although the disparity that exists between the academic and federal fiscal year is the most commonly identified cause of the various problems, the solution cannot be limited to fiscal or program calendar alterations. To improve the effective use of federal funds, a series of coordinated recommendations are necessary that respond to the unique requirements of the educational community and at the same time maintain the necessary Congressional oversight and flexibility for decision making.

MAJOR IMPACTS OF LATE FUNDING

Inability to Plan Effectively

Of all the problems that surfaced during the study, the inability to plan appropriately for the use of federal program funds is clearly the most significant impact of late or uncertain funding. The school year calendar is generally August or September to May or June. Planning--which includes such activities as hiring personnel, developing pupil schedules, purchasing books and other materials, and budgeting appropriate fiscal resources--takes place in the prior spring. Obviously, sensible planning dictates a reasonably firm knowledge of what fiscal resources, or what specific programs, will be available. However, because of late funding, this planning often takes place in a vacuum or is so truncated that it is ineffective.

Unfortunately, many L[illegible]d SEAs have historically paid inadequate attention to their management and planning functions. Delays in the federal funding cycle create additional burdens and timing problems and at the same time mandate a planning process--all of which tend to weaken an already poor planning function.

Receipt of Grant Awards After School Year Begins

The grant award document, which is the firm commitment of federal funds, is often received by state and local education agencies after the school year begins. As the Catalog of educational programs indicates, final fiscal year 1975 Congressional action almost always occurred well after the beginning of both the federal fiscal year in July and the school year in August or September. Further, the grant award document requires at least 60 days after Congressional appropriation for the various administrative activities. Consequently, in fiscal year 1975, states and school districts generally received grant award notices toward the end, rather than the beginning, of the school year. This situation often creates serious problems, as prior Congressional and Office of Education studies have suggested.

Potential Program Impact Exceeds Actual Dollar Amount

The substantial negative impact of late federal funding is not minimized by the fact that federal funds represent a relatively small portion of the overall operating budget. Federal categorical programs, which by their definition are supplemental to an existing service, tend to be for particular educational needs or programs that either would not normally be implemented at all or not at the same level. For example, federal programs provide specific service for the educationally disadvantaged child or for pupils with specific learning disabilities that would not be available otherwise. Often these services tend to be unique or innovative and involve the unusual child not adequately serviced by the existing program. By adversely affecting these programs, the impacts of late and uncertain funding are magnified substantially.

Lack of Coordination Among Federal and Non-Federal Programs

Late receipt of firm federal program funding commitments reduces the ability of state and local school district personnel to coordinate the federally funded programs with the non-federal educational programs. For example, many school districts now have federally, state, and locally funded programs for both the educationally disadvantaged and pupils with learning disabilities. Indeed, many states have major categorical programs (such as California's SB 70 program for the educationally disadvantaged) which resemble a major federal program. Without firm knowledge in the preceding spring of the amount of federal funds, state and local personnel are unable to coordinate related discrete programs, which may result in two differently funded programs serving the same pupils.

Delays in Program Implementation

Not knowing whether a discrete program will be approved or the level of funding of any program often delays the start of a program until well after classes begin. Even in those cases where a school district elects to go ahead and begin a program before final notification is received, the program level may be substantially reduced pending receipt of the grant document.

This delay in program implementation or reduction in program scope has a number of residual impacts. First, the intent of Congress and the Office of Education to fund elementary and secondary programs for specific purposes during a specific period is not completely achieved. Indeed, Congressional oversight of specific activities is made substantially more difficult and even impossible in certain situations. The actual use of the funds from specific Congressional appropriations is either made less effective because of when the funds are received by the final recipient or because the funds are not used in the time period for which the appropriation was intended.

Further, it is reasonably certain that funding delays and uncertainties reduce program quality. Indeed, the comments of the 1966 National Advisory Council on the Education of Disadvantaged Children (referring to the ESEA Title I program, which is now advance funded to prevent just such a problem) are equally applicable to most federally funded elementary and secondary programs:

> There is no doubt that implementation...was greatly hampered by the non-availability of funds until after the school year began. Most personnel in needed specialties were already under contract, and school administrators were forced to plan projects almost overnight. The pressures of time gave state departments of education little opportunity to revise substantially many quickly conceived programs...

Impacts on Financial Management

State and local education agency finance personnel are unable to meaningfully prepare budgets and plan the use of financial resources without a firm knowledge of the level of federal funding. As the results of our interviews and fact finding indicated in Sections IV and V, only estimates are incorporated into the budget preparation and approval process of the prior winter and spring. Often, as this study has shown, these estimates vary substantially from the actual grant awards. In addition to creating substantial administrative effort to reallocate or rebudget line items, districts find themselves unable to forecast the actual amount of dollars available until well after the school year has begun. Lacking this information, effective planning of the use of available resources is severely hindered. For example, most districts postpone purchasing decisions, which results in educational materials and supplies either not being received during the period the program is operating or not being ordered at all.

Impacts on Personnel Administration

Perhaps the most critical effects of late or uncertain funding underscored by this study are the impacts on personnel hiring, retention, and morale. Indeed, the Congressional and Office of Education fiscal and funding cycles in fiscal year 1975 were generally unsynchronized with necessary personnel administration functions at state and local school districts. As the critical resource in the educational process, the professional educator is also, obviously, the key element in any federally funded program. As these sections document, in almost all cases the ability of the local school district to recruit, hire, and retain these most valuable resources is diminished. Both the telephone and site visits indicated that funding delays, uncertainties, and changes reduce the effectiveness of this key resource, which, in turn, adversely affects program performance. Although the intent of the Congress and the Office of Education is to supplement the educational resources available for specific pupil populations through direct federal assistance, administrative and Congressional delays often significantly limit the value of the assistance.

Impact on Specialized Skills

The specialized teacher with training in such areas as reading, learning disabilities, or bilingual education continues to be in short supply. Because districts are often unable to make specific contractual commitments during the spring planning and budgeting period, many of these teachers either elect to work for non-public schools or for regular, local funded positions. The potential value of the federally funded program, which often must attract these same skills, is thus severely diluted.

Loss of Experienced Teachers

Federal participation in elementary and secondary programs has created a cadre of trained federal program professional and non-professional teaching and administrative personnel. For example, a teacher in an ESEA Title I program has, with experience, learned various teaching techniques that respond to the needs of educationally disadvantaged children, gained familiarity with specially developed educational materials, and been exposed to written materials and conferences oriented to the federal program guidelines and requirements. Similar situations occur in other categorical programs, particularly those requiring special skills that benefit from continued experience in the program.

Late and uncertain funding, however, encourages and almost forces these teachers to seek local-funded positions and opportunities, where the risks and uncertainties are less and the annual contractual problems are avoided.

Carry-Over, A Valuable Administrative Tool

The administrative ability to carry over federal funds for 12 months, authorized by Congressional legislation, has been a valuable management tool for local school districts. Although originally intended to counteract an unusually late Congressional elementary and secondary appropriation act, carry-over has now become a major management device that state and local education agencies use to respond to their planning, budgeting, and recruiting needs.

Indeed, as this study has documented, many local and state program and financial personnel use the carry-over provision to create two-year money out of one-year money. For example, in many local districts, ESEA Title I carry-overs substantially exceed the amount expected on the basis of the hold-harmless provision. Even more dramatically, many states have simply postponed funding decisions for programs for the handicapped almost one full year (in effect, forward funding via state action) to complete the necessary proposal preparation, review, and approval actions.

As a result of the combination of late funding and carry-over, Congressional and Office of Education intentions for the use of categorical funds have not been completely achieved.

Changes in Fiscal Year Not a Concern

This study did not uncover significant concerns at the state and local level with the change in the federal fiscal year. It was apparent that many state and local education personnel have not focused upon the change and the impact that it may have on federal program administration and management. Nevertheless, the change in fiscal year from July 1-June 30 to October 1-September 30 raises the specter that already late appropriations and funding will be delayed even further, thereby increasing the primary planning, financial management, and personnel administration problems previously documented, particularly for the programs which are neither advance nor forward funded. Hopefully, however, advance funding will minimize funding cycle problems created by the new fiscal year.

Advance Funding of Title I Seen as an Improvement

Advance funding of the ESEA Title I program and other elementary and secondary programs (provided for the first time in fiscal year 1976) appears to have significant potential. An earlier firm knowledge of the Congressional appropriation will, in general, permit the Office of Education to expedite the funding process.

There are well-known and previously documented problems with advance funding, particularly a decreased Congressional ability to include major categorical programs in the annual and ongoing resource allocation and budgeting decision-making process. However, advance funding does have the potential to respond to the programmatic and SEA/LEA problems identified in this report.

RECOMMENDATIONS FOR REDUCING THE IMPACT OF MAJOR PROBLEMS

A prime purpose of the late funding study was to document problems and difficulties which, although often spoken about, have not been studied and evaluated in a formal quantitative and qualitative manner. Further, the data gathering and analysis have clearly indicated the potentially increased problems created by the change in the federal fiscal year as well as the major benefits of both carry-over provisions and advance funding.

In response to these problems, there are a limited number of recommendations which the Congress and the Office of Education may wish to consider. Although no one recommendation, or combination, will totally overcome the problems of late funding, it certainly should be possible to substantially reduce the most severe impacts documented in this study.

In particular, we recommend that the Congress and the Office of Education:

- continue and expand advance and forward funding for elementary and secondary programs;
- strengthen and encourage LEA use of the hold-harmless provision to assure that it meets its intended objective of strengthening the local planning process;
- maintain carry-over provisions but with specific administrative guidelines and, perhaps, restrictions;
- minimize multi-year funding, particularly if advance funding and carry-over funds are continued; and
- revise the ESEA Title I data collection requirements to coincide with the advance funding provision.

These recommendations are detailed below.

Continue and Expand Advance and Forward Funding

Advance and forward funding of elementary and secondary educational programs provides significant advantages. In particular, advance and forward funding:

- provides the Office of Education sufficient time to analyze program plans and proposals and process grant awards;
- increases the planning period for the state and local program and administrative personnel;
- permits integration and coordination of the federally funded program with ongoing state and local programs; and
- responds to the budgeting, planning, and personnel administration cycles of local school districts.

In achieving these ends, it directly strengthens the quality of program performance and effectiveness.

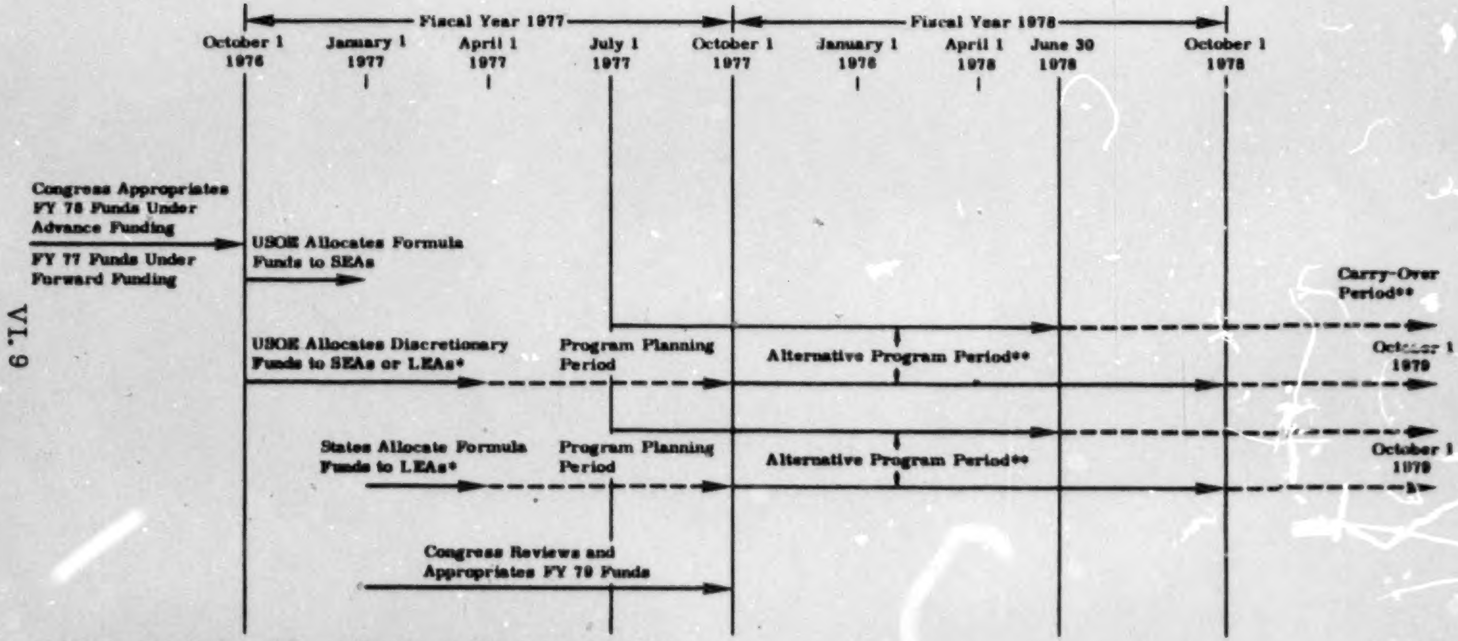
There are clearly disadvantages associated with advance funding, including (1) the potential binding of budgetary actions by one Congress on the next, (2) the elimination of public and Congressional debate on a timely basis by separating appropriations and actual outlay decisions, and (3) the lack of annual Congressional review of all federal expenditures. However, the inherent improvement in program performance and effectiveness--and therefore the actual use of federal monies--appears to outweigh these disadvantages.

Further, paralleling the need for earlier notification to the grant recipient of the funding levels of elementary and secondary education programs is the need for earlier notification to the recipient of existing program or program proposals which will not be funded. In this way, the state or local education agency can evaluate the impacts created by no federal funding, provide for an orderly elimination of the program, and determine whether the program can be supported by non-federal funds. Although the emphasis of this study concentrated upon the impacts caused by late notification of funding levels and funding uncertainties, the survey indicated that significant problems are similarly created by late program proposal rejections or late Office of Education decisions to significantly reduce or eliminate categorical programs.

Both advance and forward funding will therefore not only assist recipients in comparing their planning and administrative activities in light of a known funding level but also provide for an orderly transition when funding will not be provided or a program will not be continued.

A possible schedule of major funding activities, under advance funding, which responds to the state and local decision-making process is outlined in Figure VI-1. This schedule illustrates a potential sequence of activities for two alternatives: a grant period which corresponds to the new fiscal year (October 1 to September 30) and a grant period which continues the current period of July 1 to June 30 in order to more accurately reflect the usual school year cycle. In particular, a July 1 to June 30 period, although not coinciding with the federal fiscal year, does provide significant administrative and programmtic advantages at the SEA and LEA level and may reduce many of the problems in this study.

However, many school districts in the nation, including some of the larger ones, are not on the same fiscal year as the Federal Government, and thus the advance or forward funding cycle described may not be responsive to their needs. Consequently, it is equally important that, whatever funding cycle, the ESEA Title I hold-harmless provision be substantially strengthened. In this way, at least the most important federal program is flexible enough to be incorporated into all LEA and SEA planning cycles.


Fiscal Year 1977
Fiscal Year 1978
October 1 1976
January 1 1977
April 1 1977
July 1 1977
October 1 1977
January 1 1978
April 1 1978
June 30 1978
October 1 1978
Congress Appropriates FY 78 Funds Under Advance Funding
FY 77 Funds Under Forward Funding
USOE Allocates Formula Funds to SEAs
USOE Allocates Discretionary Funds to SEAs or LEAs*
States Allocate Formula Funds to LEAs*
Program Planning Period
Program Planning Period
Alternative Program Period**
Alternative Program Period**
Carry-Over Period**
October 1 1979
October 1 1979
Congress Reviews and Appropriates FY 79 Funds

*As this report indicates, earlier notification and allocation would provide substantial benefits.

**Alternative program and carry-over periods with a July 1 to June 30 and an October 1 to September 30 grant period.

FIGURE VI-1: A RECOMMENDED FEDERAL FUNDING CYCLE UNDER ADVANCE AND FORWARD FUNDING

Strengthen Hold-Harmless Provisions

The intent of hold-harmless provisions is to permit administrative planning and budgeting actions in advance of formal funding notification to the actual receipt of funds. As this report indicated, state and local policies often preclude full utilization of these provisions.

Even with advance funding, local school districts require additional assurances of funding of the largest and most important federal program--ESEA Title I. Not to do so severely restricts the ability of a school district to respond to significant changes in the funding level by preventing replacement of federal resources by state and local resources during the budget preparation, review, and approval cycle. The Congress and the Office of Education have made a massive federal investment in the program, and a minimal amount of safeguarding against major local funding uncertainties must continue to be provided. Consequently, we recommend continuance of the hold-harmless provision.

Both the site visits and telephone survey indicated that many districts simply do not recognize--or have faith in--the validity of the existing 85 percent hold-harmless provision. Rather than regularly using this guideline as the primary basis on which to plan or begin implementing programs, they continue to defer substantial planning actions until well after the time frame during which non-federal program planning occurs. We, therefore, recommend that an additional study be made of the actual impact of the hold-harmless regulations at the local school district level, and on the basis of these findings, revisions be made to guidelines, regulations, and policies which restrict the use of the hold-harmless provisions. For example, enabling legislation at either the federal, state or local level, or both, may be necessary to give local school boards the authority to issue personnel contracts against 85 percent of the prior year's funding level. Further, consideration should be given to limiting, wherever possible, the 85 percent guaranteed amount to ongoing, continuation programs, thereby reserving the remaining amount (over and above the minimum level) to new programs or lower priority activities.

A similar problem exists with respect to purchasing procedures. School districts are unable to issue purchase orders until after the grant period begins, regardless of the purpose of the purchase, the delivery date, or the use date. As a result, school districts often find that educational supplies and equipment ordered for a particular federal program do not arrive until well after the program begins, and sometimes even after the grant period ends. Consequently, we recommend that the Office of Education review the possibility of including advance purchase authority within the permissible hold-harmless activities.

Lastly, the benefits of a strengthened hold-harmless provision are substantial. Considerations should be given to the feasibility of extending the concept to other large categorical and ongoing programs.

Continue the Carry-Over Provision

Our study findings strongly indicate that the ability to carry over program funds for one fiscal year is a valuable program and administrative technique that should be continued. This provision provides the management flexibility necessary for good planning, budgeting, and personnel administration, as well as an automatic cushion to compensate for late appropriations or funding decisions.

On the other hand, the carry-over provisions--which may result in a 24- or 27-month grant period--have the potential for abuse. Rather than provide the educational services when the Congress and the Office of Education intends, state and local agencies can delay program performance unnecessarily. Further, with advance funding according to the schedule outlined in Figure VI-1, carry-over should become less necessary. Consequently, we recommend that the Congress and the Office of Education consider the possibility of limiting the carry-over period to not more than six months after the end of the intended fiscal year or grant period, whichever comes first. In this way, the managerial flexibility is maintained but at the same time controlled within reasonable limits.

Finally, because for many grantees the potential carry-over size is an integral part of federal program planning, we recommend that the Office of Education consider incorporating a request for anticipated carry-over (both amount and purpose) in their proposal and plan submission requirements.

Minimize Multi-Year Funding

As indicated previously, the primary advantage of advance funding for one year is the increased time made available for program planning and personnel administration activities and the ability to coordinate the required Congressional and Office of Education administrative requirements with the normal school year. An obvious extension of the recommendation to use advance funding is the concept of multi-year funding.

Our survey indicated, however, that additional lead time through multi-year funding of programs is unnecessary, if the carry-over provision is continued and unusually late rescissions are avoided.

Further, multi-year funding beyond the advance funding concept significantly alters the degree of Congressional oversight and program review by requiring Congress to consider program requirements three or more years in advance. In additign, multi-year funding reduces both Congressional and administration flexibility to respond to new requirements or situations.

Although some state and local school district personnel felt that multi-year funding would substantially benefit new programs or massive program increases, such as the fiscal year 1975 education of the handicapped program funding, full implementation of advance and forward funding would be a more advantageous strategy.

Revise ESEA Title I Data Collection Requirements

Currently, the ESEA Title I funds are allocated by county and state on the basis of socioeconomic statistics as of the January preceding the beginning of the grant period. In practice, this means that until the statistics are obtained by the National Center for Educational Statistics from the 'ppropriate state agencies, the state allocation tables cannot be completed. Often the county allocations are thus not available in final form until sometime in March or June. This, in turn, delays distribution of the grant award documents until late spring and early summer.

It is our understanding that the Office of Education has prepared and submitted to the Congress technical amendments authorizing use of the prior year's socioeconomic data in calculating the distribution of ESEA Title I monies. To assure that the full potential benefits of advance funding of the ESEA program are obtained, we recommend that the Office of Education seek rapid approval of the necessary legislation and immediate implementation of the revised data collection process.

VI. CONCLUSIONS AND RECOMMENDATIONS

The purpose of this section is to (1) summarize the findings of the telephone interviews and site visits and (2) outline recommendations to strengthen the effectiveness of the programs while maintaining the appropriate level of Congressional and USOE oversight.

The detrimental effects of late and uncertain federal funding previously identified are not only substantial, but also persuasive in their impact on almost all the administrative and programmatic functions involved in delivering educational programs by both state and local educational agencies. Indeed, the problems created by late and uncertain federal funding are considered to be the most critical of all the potential problems of grants and contract management.

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MAJOR IMPACTS OF LATE FUNDING

Inability to Plan Effectively

Of all the problems that surfaced during the study, the inability to plan appropriately for the use of federal program funds is clearly the most significant impact of late or uncertain funding. The school year calendar is generally August or September to May or June. Planning--which includes such activities as hiring personnel, developing pupil schedules, purchasing books and other materials, and budgeting appropriate fiscal resources--takes place in the prior spring. Obviously, sensible planning dictates a reasonably firm knowledge of what fiscal resources, or what specific programs, will be available. However, because of late funding, this planning often takes place in a vacuum or is so truncated that it is ineffective.

Unfortunately, many LEAs and SEAs have historically paid inadequate attention to their management and planning functions. Delays in the federal funding cycle create additional burdens and timing problems and at the same time mandate a planning process--all of which tend to weaken an already poor planning function.

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The substantial negative impact of late federal funding is not minimized by the fact that federal funds represent a relatively small portion of the overall operating budget. Federal categorical programs, which by their definition are supplemental to an existing service, tend to be for particular educational needs or programs that either would not normally be implemented at all or not at the same level. For example, federal programs provide specific service for the educationally disadvantaged child or for pupils with specific learning disabilities that would not be available otherwise. Often these services tend to be unique or innovative and involve the unusual child not adequately serviced by the existing program. By adversely affecting these programs, the impacts of late and uncertain funding are magnified substantially.

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Late receipt of firm federal program funding commitments reduces the ability of state and local school district personnel to coordinate the federally funded programs with the non-federal educational programs. For example, many school districts now have federally, state, and locally funded programs for both the educationally disadvantaged and pupils with learning disabilities. Indeed, many states have major categorical programs (such as California's SB 70 program for the educationally disadvantaged) which resemble a major federal program. Without firm knowledge in the preceding spring of the amount of federal funds, state and local personnel are unable to coordinate related discrete programs, which may result in two differently funded programs serving the same pupils.

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This delay in program implementation or reduction in program scope has a number of residual impacts. First, the intent of Congress and the Office of Education to fund elementary and secondary programs for specific purposes during a specific period is not completely achieved. Indeed, Congressional oversight of specific activities is made substantially more difficult and even impossible in certain situations. The actual use of the funds from specific Congressional appropriations is either made less effective because of when the funds are received by the final recipient or because the funds are not used in the time period for which the appropriation was intended.

Further, it is reasonably certain that funding delays and uncertainties reduce program quality. Indeed, the comments of the 1966 National Advisory Council on the Education of Disadvantaged Children (referring to the ESEA Title I program, which is now advance funded to prevent just such a problem) are equally applicable to most federally funded elementary and secondary programs:

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State and local education agency finance personnel are unable to meaningfully prepare budgets and plan the use of financial resources without a firm knowledge of the level of federal funding. As the results of our interviews and fact finding indicated in Sections IV and V, only estimates are incorporated into the budget preparation and approval process of the prior winter and spring. Often, as this study has shown, these estimates vary substantially from the actual grant awards. In addition to creating substantial administrative effort to reallocate or rebudget line items, districts find themselves unable to forecast the actual amount of dollars available until well after the school year has begun. Lacking this information, effective planning of the use of available resources is severely hindered. For example, most districts postpone purchasing decisions, which results in educational materials and supplies either not being received during the period the program is operating or not being ordered at all.

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The specialized teacher with training in such areas as reading, learning disabilities, or bilingual education continues to be in short supply. Because districts are often unable to make specific contractual commitments during the spring planning and budgeting period, many of these teachers either elect to work for non-public schools or for regular, local funded positions. The potential value of the federally funded program, which often must attract these same skills, is thus severely diluted.

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Late and uncertain funding, however, encourages and almost forces these teachers to seek local-funded positions and opportunities, where the risks and uncertainties are less and the annual contractual problems are avoided.

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The administrative ability to carry over federal funds for 12 months, authorized by Congressional legislation, has been a valuable management tool for local school districts. Although originally intended to counteract an unusually late Congressional elementary and secondary appropriation act, carry-over has now become a major management device that state and local education agencies use to respond to their planning, budgeting, and recruiting needs.

Indeed, as this study has documented, many local and state program and financial personnel use the carry-over provision to create two-year money out of one-year money. For example, in many local districts, ESEA Title I carry-overs substantially exceed the amount expected on the basis of the hold-harmless provision. Even more dramatically, many states have simply postponed funding decisions for programs for the handicapped almost one full year (in effect, forward funding via state action) to complete the necessary proposal preparation, review, and approval actions.

As a result of the combination of late funding and carry-over, Congressional and Office of Education intentions for the use of categorical funds have not been completely achieved.

Changes in Fiscal Year Not a Concern

This study did not uncover significant concerns at the state and local level with the change in the federal fiscal year. It was apparent that many state and local education personnel have not focused upon the change and the impact that it may have on federal program administration and management. Nevertheless, the change in fiscal year from July 1-June 30 to October 1-September 30 raises the specter that already late appropriations and funding will be delayed even further, thereby increasing the primary planning, financial management, and personnel administration problems previously documented, particularly for the programs which are neither advance nor forward funded. Hopefully, however, advance funding will minimize funding cycle problems created by the new fiscal year.

Advance Funding of Title I Seen as an Improvement

Advance funding of the ESEA Title I program and other elementary and secondary programs (provided for the first time in fiscal year 1976) appears to have significant potential. An earlier firm knowledge of the Congressional appropriation will, in general, permit the Office of Education to expedite the funding process.

There are well-known and previously documented problems with advance funding, particularly a decreased Congressional ability to include major categorical programs in the annual and ongoing resource allocation and budgeting decision-making process. However, advance funding does have the potential to respond to the programmatic and SEA/LEA problems identified in this report.

RECOMMENDATIONS FOR REDUCING THE IMPACT OF MAJOR PROBLEMS

A prime purpose of the late funding study was to document problems and difficulties which, although often spoken about, have not been studied and evaluated in a formal quantitative and qualitative manner. Further, the data gathering and analysis have clearly indicated the potentially increased problems created by the change in the federal fiscal year as well as the major benefits of both carry-over provisions and advance funding.

In response to these problems, there are a limited number of recommendations which the Congress and the Office of Education may wish to consider. Although no one recommendation, or combination, will totally overcome the problems of late funding, it certainly should be possible to substantially reduce the most severe impacts documented in this study.

In particular, we recommend that the Congress and the Office of Education:

- continue and expand advance and forward funding for elementary and secondary programs;
- strengthen and encourage LEA use of the hold-harmless provision to assure that it meets its intended objective of strengthening the local planning process;
- maintain carry-over provisions but with specific administrative guidelines and, perhaps, restrictions;
- minimize multi-year funding, particularly if advance funding and carry-over funds are continued; and
- revise the ESEA Title I data collection requirements to coincide with the advance funding provision.

These recommendations are detailed below.

Continue and Expand Advance and Forward Funding

Advance and forward funding of elementary and secondary educational programs provides significant advantages. In particular, advance and forward funding:

- provides the Office of Education sufficient time to analyze program plans and proposals and process grant awards;
- increases the planning period for the state and local program and administrative personnel;
- permits integration and coordination of the federally funded program with ongoing state and local programs; and
- responds to the budgeting, planning, and personnel administration cycles of local school districts.

In achieving these ends, it directly strengthens the quality of program performance and effectiveness.

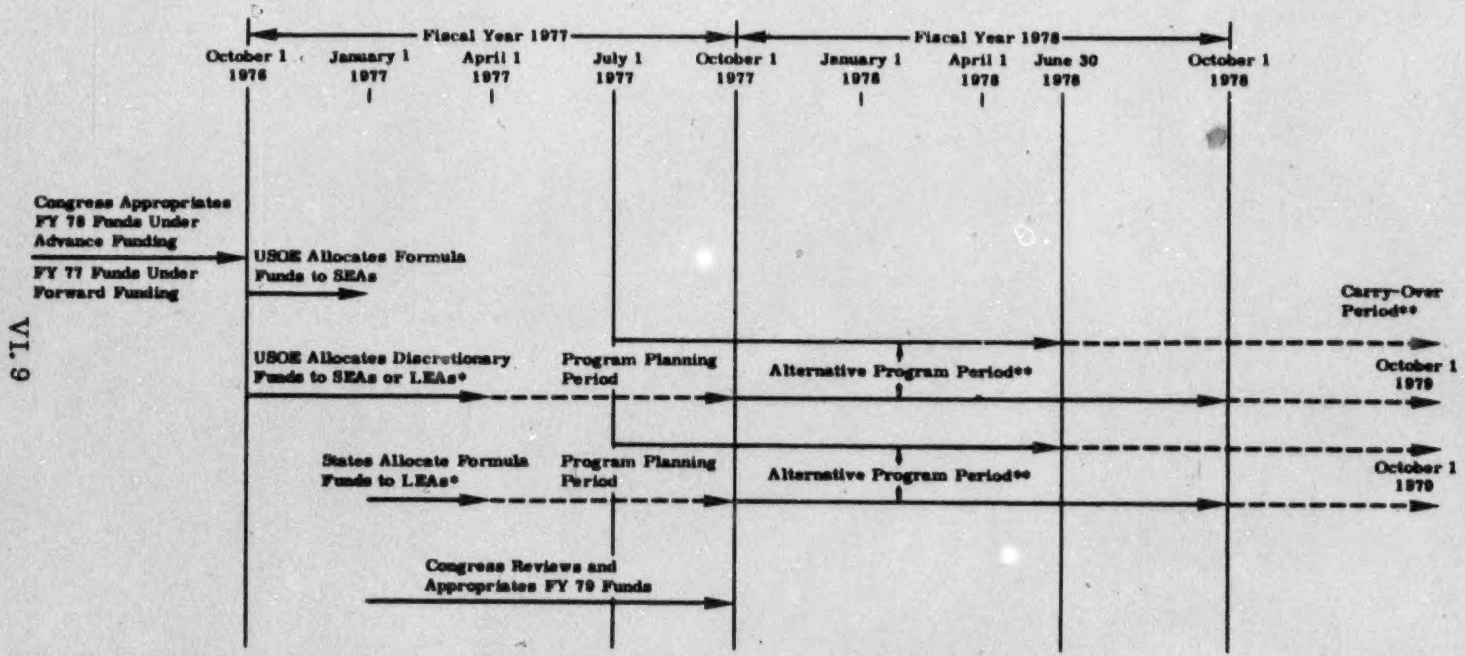
There are clearly disadvantages associated with advance funding, including (1) the potential binding of budgetary actions by one Congress on the next, (2) the elimination of public and Congressional debate on a timely basis by separating appropriations and actual outlay decisions, and (3) the lack of annual Congressional review of all federal expenditures. However, the inherent improvement in program performance and effectiveness--and therefore the actual use of federal monies--appears to outweigh these disadvantages.

Further, paralleling the need for earlier notification to the grant recipient of the funding levels of elementary and secondary education programs is the need for earlier notification to the recipient of existing program or program proposals which will not be funded. In this way, the state or local education agency can evaluate the impacts created by no federal funding, provide for an orderly elimination of the program, and determine whether the program can be supported by nonfederal funds. Although the emphasis of this study concentrated upon the impacts caused by late notification of funding levels and funding uncertainties, the survey indicated that significant problems are similarly created by late program proposal rejections or late Office of Education decisions to significantly reduce or eliminate categorical programs.

Both advance and forward funding will therefore not only assist recipients in comparing their planning and administrative activities in light of a known funding level but also provide for an orderly transition when funding will not be provided or a program will not be continued.

A possible schedule of major funding activities, under advance funding, which responds to the state and local decision-making process is outlined in Figure VI-1. This schedule illustrates a potential sequence of activities for two alternatives: a grant period which corresponds to the new fiscal year (October 1 to September 30) and a grant period which continues the current period of July 1 to June 30 in order to more accurately reflect the usual school year cycle. In particular, a July 1 to June 30 period, although not coinciding with the federal fiscal year, does provide significant administrative and programmtic advantages at the SEA and LEA level and may reduce many of the problems in this study.

However, many school districts in the nation, including some of the larger ones, are not on the same fiscal year as the Federal Government, and thus the advance or forward funding cycle described may not be responsive to their needs. Consequently, it is equally important that, whatever funding cycle, the ESEA Title I hold-harmless provision be substantially strengthened. In this way, at least the most important federal program is flexible enough to be incorporated into all LEA and SEA planning cycles.


Fiscal Year 1977
Fiscal Year 1978
October 1 1976
January 1 1977
April 1 1977
July 1 1977
October 1 1977
January 1 1978
April 1 1978
June 30 1978
October 1 1978
Congress Appropriates FY 78 Funds Under Advance Funding
FY 77 Funds Under Forward Funding
USOE Allocates Formula Funds to SEAs
USOE Allocates Discretionary Funds to SEAs or LEAs*
Program Planning Period
Alternative Program Period**
Carry-Over Period**
October 1 1979
States Allocate Formula Funds to LEAs*
Program Planning Period
Alternative Program Period**
October 1 1979
Congress Reviews and Appropriates FY 79 Funds

*As this report indicates, earlier notification and allocation would provide substantial benefits.

**Alternative program and carry-over periods with a July 1 to June 30 and an October 1 to September 30 grant period.

FIGURE VI-1: A RECOMMENDED FEDERAL FUNDING CYCLE UNDER ADVANCE AND FORWARD FUNDING

Strengthen Hold-Harmless Provisions

The intent of hold-harmless provisions is to permit administrative planning and budgeting actions in advance of formal funding notification to the actual receipt of funds. As this report indicated, state and local policies often preclude full utilization of these provisions.

Even with advance funding, local school districts require additional assurances of funding of the largest and most important federal program--ESEA Title I. Not to do so severely restricts the ability of a school district to respond to significant changes in the funding level by preventing replacement of federal resources by state and local resources during the budget preparation, review, and approval cycle. The Congress and the Office of Education have made a massive federal investment in the program, and a minimal amount of safeguarding against major local funding uncertainties must continue to be provided. Consequently, we recommend continuance of the hold-harmless provision.

Both the site visits and telephone survey indicated that many districts simply do not recognize--or have faith in--the validity of the existing 85 percent hold-harmless provision. Rather than regularly using this guideline as the primary basis on which to plan or begin implementing programs, they continue to defer substantial planning actions until well after the time frame during which non-federal program planning occurs. We, therefore, recommend that an additional study be made of the actual impact of the hold-harmless regulations at the local school district level, and on the basis of these findings, revisions be made to guidelines, regulations, and policies which restrict the use of the hold-harmless provisions. For example, enabling legislation at either the federal, state or local level, or both, may be necessary to give local school boards the authority to issue personnel contracts against 85 percent of the prior year's funding level. Further, consideration should be given to limiting, wherever possible, the 85 percent guaranteed amount to ongoing, continuation programs, thereby reserving the remaining amount (over and above the minimum level) to new programs or lower priority activities.

A similar problem exists with respect to purchasing procedures. School districts are unable to issue purchase orders until after the grant period begins, regardless of the purpose of the purchase, the delivery date, or the use date. As a result, school districts often find that educational supplies and equipment ordered for a particular federal program do not arrive until well after the program begins, and sometimes even after the grant period ends. Consequently, we recommend that the Office of Education review the possibility of including advance purchase authority within the permissible hold-harmless activities.

Lastly, the benefits of a strengthened hold-harmless provision are substantial. Considerations should be given to the feasibility of extending the concept to other large categorical and ongoing programs.

Continue the Carry-Over Provision

Our study findings strongly indicate that the ability to carry over program funds for one fiscal year is a valuable program and administrative technique that should be continued. This provision provides the management flexibility necessary for good planning, budgeting, and personnel administration, as well as an automatic cushion to compensate for late appropriations or funding decisions.

On the other hand, the carry-over provisions--which may result in a 24- or 27-month grant period--have the potential for abuse. Rather than provide the educational services when the Congress and the Office of Education intends, state and local agencies can delay program performance unnecessarily. Further, with advance funding according to the schedule outlined in Figure VI-1, carry-over should become less necessary. Consequently, we recommend that the Congress and the Office of Education consider the possibility of limiting the carry-over period to not more than six months after the end of the intended fiscal year or grant period, whichever comes first. In this way, the managerial flexibility is maintained but at the same time controlled within reasonable limits.

Finally, because for many grantees the potential carry-over size is an integral part of federal program planning, we recommend that the Office of Education consider incorporating a request for anticipated carry-over (both amount and purpose) in their proposal and plan submission requirements.

Minimize Multi-Year Funding

As indicated previously, the primary advantage of advance funding for one year is the increased time made available for program planning and personnel administration activities and the ability to coordinate the required Congressional and Office of Education administrative requirements with the normal school year. An obvious extension of the recommendation to use advance funding is the concept of multi-year funding.

Our survey indicated, however, that additional lead time through multi-year funding of programs is unnecessary, if the carry-over provision is continued and unusually late rescissions are avoided.

Further, multi-year funding beyond the advance funding concept significantly alters the degree of Congressional oversight and program review by requiring Congress to consider program requirements three or more years in advance. In additign, multi-year funding reduces both Congressional and administration flexibility to respond to new requirements or situations.

Although some state and local school district personnel felt that multi-year funding would substantially benefit new programs or massive program increases, such as the fiscal year 1975 education of the handicapped program funding, full implementation of advance and forward funding would be a more advantageous strategy.

Revise ESEA Title I Data Collection Requirements

Currently, the ESEA Title I funds are allocated by county and state on the basis of socioeconomic statistics as of the January preceding the beginning of the grant period. In practice, this means that until the statistics are obtained by the National Center for Educational Statistics from the 'ppropriate state agencies, the state allocation tables cannot be completed. Often the county allocations are thus not available in final form until sometime in March or June. This, in turn, delays distribution of the grant award documents until late spring and early summer.

It is our understanding that the Office of Education has prepared and submitted to the Congress technical amendments authorizing use of the prior year's socioeconomic data in calculating the distribution of ESEA Title I monies. To assure that the full potential benefits of advance funding of the ESEA program are obtained, we recommend that the Office of Education seek rapid approval of the necessary legislation and immediate implementation of the revised data collection process.

APPENDIX A

A CATALOG OF USOE-FUNDED ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

CATALOGUE OF USOE-FUNDED ELEMENTARY AND SECONDARY EDUCATI

CATALOG OF FED. ED. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF
											HIGHEST
13.400	Adult Education - Grants to States	Adult Education Act	Bureau of Occupational and Adult Education, Division of Adult Education	F	Expand education opportunity and encourage establishment of program of adult public education to level of completion of secondary school.	1-2-4	SEA	56	10,000	$67,500	$4,247,017
13.403	Bilingual Education (Title VII)	Bilingual Education Act	Office of the Commissioner, Office of Bilingual Education	D	Develop and operate new or proven bilingual educational programs, services, and activities meeting educational needs of 3-year old - 18-year old from environments where dominant language is not English.	1-4	Grantee	N/A (3)	334	81,470 (6)	925,000
13.405	Civil Rights Technical Assist. and Training	Civil Rights Act of 1964 (Title IV)	Bureau of School Systems, Associate Commissioner for Equal Educational Opportunity Programs	D	Assist school systems and school personnel in solving problems related to educational desegregation	1-4	Grantee	44	47	26,700	894,800
13.413	Educational Broadcasting Facilities (Public Broadcasting)	Communication Acts (Title III)	Bureau of School Systems, Associate Commissioner State and Local Education Programs	D	Acquire and install electronic equipment for use in noncommercial education broadcasting stations.	1-4	Grantee	4	6	12,000	459,842
13.420	Drug Abuse Prevention	Alcohol and Drug Abuse Education Act	Bureau of School Systems, Division of Drug Education	D	Help schools and communities assess and respond to drug abuse and develop strategies aimed at causes.	1-4	Grantee	N/A (7)	N/A (7)		N/A (7)
13.427	Educationally Deprived Children - Handicapped	Elementary and Secondary Education Act (Title I)	Bureau for Education of Handicapped, Division of Assistance to States	F	Extend and improve comprehensive educational programs for handicapped children enrolled in state-operated or state-supported schools.	1-2-4	SEA	53	N/A (3)	87,863	10,006,14
13.428	Educationally Deprived Children - LEAs	Elementary and Secondary Education Act (Title I)	Bureau of School Systems, Division of Education for the Disadvantaged	F	Extend and improve educational programs to meet needs of educationally disadvantaged children in low-income areas.	1-2-3	SEA	57	(2)	1,587,169	191,866,700
13.429	Educationally Deprived Children - Migrants	Elementary and Secondary Education Act (Title I)	Bureau of School Systems, Division of Education for the Disadvantaged	F	Improve and expand educational programs to meet the special needs of migratory agricultural children	1-2-4	SEA	49	N/A (3)	91,953	19,435,88
13.430	Educationally Deprived Children - State Administration	Elementary and Secondary Education Act (Title I)	Bureau of School Systems, Division of Education for the Disadvantaged	F	Improve and expand educational programs for disadvantaged children through assistance to SEAs and improvement of their assistance capabilities to local education agencies	1-2	SEA	56	N/A (3)	19,827	2,140,80
13.431	Educationally Deprived Children in State Administered Institutions Serving Neglected or Delinquent Children: . Juvenile . Correctional . Neglected	Elementary and Secondary Education Act (Title I)	Bureau of School Systems, Division of Education for the Disadvantaged	F	Expand and improve educational programs to meet the special needs of institutionalized children for whom the State has an educational responsibility	1-2-4	SEA	19 47 53	N/A (3) N/A (3) N/A (3)	2,024 6,734 18,063	316,00 778,00 1,903,40

E OF USOE-FUNDED ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

S	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT ADVICE		GRANT AWARD NOTIFICATION DATE(S)
						HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	
ity and program to condary	1-2-4	SEA	56	10,000	$67,500	$4,247,017	$79,863	$1,320,000	12/27/74	7/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	7/74 11/74 1/75 3/75
proven grams, eeting r old - nts not	1-4	Grantee	N/A (3)	334	81,470 (6)	925,000	40,000	216,400	12/27/74	6/30/74 10/17/74	5/8/75 (10) 5/13/75(10)	6/30/75 6/30/75	N/A (12)
school ons re- regation	1-4	Grantee	44	47	26,700	894,800	9,500	143,500	12/7/74	6/30/74 10/17/74	7/29/74 (9) 11/6/74 (9) 1/14/75 (10) 4/23/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (12)
onic mmercial tions.	1-4	Grantee	4	6	12,000	459,842	5,640	193,500	12/27/74	N/A	1/15/75 (10) 3/17/75 (10)	6/30/75 6/30/75	N/A (12)
ss abuse d at	1-4	Grantee	N/A (7)	N/A (7)		N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A	N/A (7)
nsive ndi- state-	1-2-4	SEA	53	N/A (3)	87,863	10,006,146	70,900	1,657,802	12/27/74	6/30/74 10/17/74	8/1/74 (9) 11/6/74 (9) 2/28/75 (10) 5/13/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	8/74 11/74 3/75 5/75
nal duca- dren	1-2-3	SEA	57	(2)	1,587,169	191,866,700	383,400	27,845,070	12/27/74	6/30/74 10/17/74	8/1/74 (9) 11/6/74 (9) 2/28/75 (10) 5/20/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	8/74 11/74 3/75
nal l ural	1-2-4	SEA	49	N/A (3)	91,953	19,435,887	3,100	1,876,395	12/27/74	6/30/74 10/17/74	8/1/74 (9) 11/6/74 (9) 2/28/75 (10)	9/30/74 12/31/74 6/30/75	8/74 11/74 3/75
nal , to ir local	1-2	SEA	56	N/A (3)	19,827	2,140,805	25,000	354,000	12/27/74	6/30/74 10/17/74	8/1/74 (9) 11/6/74(9) 2/29/75 (10) 5/20/75 (10) 5/22/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75 6/30/75	8/74 11/74 3/75
nal chil- en	1-2-4	SEA	19 47 53	N/A (3) N/A (3) N/A (3)	2,024 6,734 18,063	316,800 778,000 1,903,400	11,100 410 15,900	106,500 143,300 340,800	12/27/74	6/30/74 10/17/74	8/1/74 (9) 11/6/74(9) 2/28/75 (10)	9/30/74 12/31/74 6/30/75	8/74 11/74 3/75

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CATALOG OF FED. ED. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF
											HIGHEST
13.433	Follow Through . General Grants . Training and Special Field Projects . State Technical Assistance . Consultant Services - OEO . Sponsor Grants	Community Services Act of 1974 (Part B)	Bureau of School Systems, Division of Follow-through	D	Experimental program to test models of early primary education programs developed to increase achievement of disadvantaged children	1-4	Grantee	2 N/A (3) 41 N/A (3) N/A (3)	148 60 (2) N/A (3) N/A (3)	$53,000	$1,485,222 30,876 47,622 N/A (11) 641,000
13.443	Handicapped - Research and Demonstration	Education of the Handicapped Act (Part E, Sec. 641, 642)	Bureau for Education of Handicapped, Division of Innovation and Development	D	Improve education of handicapped children through R&D projects	1-4	Grantee	(1)	5	9,247	617,673
13.444	Handicapped Early Childhood Assistance (Early Education Program)	Education of the Handicapped Act (Part C, Sec. 623)	Bureau for Education of Handicapped, Division of Innovation and Development	D	Support experimental preschool and early childhood programs for handicapped children	1-4	Grantee	6	13	13,330	125,000
13.445	Handicapped Innovative Programs - Deaf-Blind Centers (Regional Centers for Deaf-Blind Children)	Education of the Handicapped Act (Part C, Sec. 622)	Bureau for Education of Handicapped, Division of Assistance to States	D	Test and educate children through centers and consult with guardians, teachers, etc. on diagnosis and evaluation, and educational and supportive services	1-5-4	Centers	(2)	(2)	12,000	2,000,000 (14)
13.446	Handicapped Media Services and Captioned Films (Captioned Films for the Deaf)	Education of the Handicapped Act (Part F)	Bureau for Education of Handicapped, Division of Media Services	D	Maintain free-loan service of captioned films and instructional media, provide for purchase of media, research use of media, and train guardians, teachers, etc. in use of media	1-4	Grantee	N/A (3)	N/A (3)	11,671	1,000,000
13.449	Handicapped Preschool and School Programs (Part B, Education of the Handicapped Act)	Education of the Handicapped Act (Part B)	Bureau for Education of Handicapped, Division of Assistance to States	F	Assist states in initiation, improvement, and expansion of educational and related services for handicapped children, preschool through secondary	1-2-3	SEA	57	1,500	100,000	9,279,132
13.450	Handicapped Regional Resource Centers	Education of the Handicapped Act (Part C, Sec. 621)	Bureau for Education of Handicapped, Division of Media Services	D	Establish regional resource centers which provide advice and technical services to develop SEA capacity	1-5	Centers	N/A(3)	N/A (3)	7,087	550,00
13.451	Handicapped Teacher Education (Training Teachers for the Handicapped)	Education of the Handicapped Act (Part D, Secs. 631, 632, 634)	Bureau for Education of Handicapped, Division of Personnel Preparation	D	Improve quality and increase supply of education personnel and assist development and improvement of training programs for educational personnel	1-4	Grantee	55	20	37,700	500,00
13.452	Handicapped Teacher Recruitment and Information	Education of the Handicapped Act (Part D, Sec. 633)	Bureau for Education of Handicapped, Division of Media Services	D	Improve recruitment of educational personnel and dissemination of information regarding educational opportunities for handicapped	1-4	Grantee	(2)	(2)	500	N/A (2
13.464	Library Services - Grants for Public Libraries (LSCA - Title I)	Library Services and Construction Act (Title I)	Bureau of School Systems, Office of Library and Learning Resources	F	Establish and expand library services (1) for areas with inadequate service, (2) handicapped children, (3) for disadvantaged urban and rural areas, (4) metropolitan areas serving as national or regional resource centers	1-2	SEA	56	N/A (3)	49,155	3,945,23

PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT ADVICE		GRANT AWARD NOTIFICATION DATE(S)
						HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	
program to test models ary education programs increase achievement aged children	1-4	Grantee	2 N/A (3) 41 N/A (3) N/A (3)	148 60 (2) N/A (3) N/A (3)	$53,000	$1,485,222 30,876 47,622 N/A (11) 641,000	$2,073 600 6,233 N/A (11) 96,522	$250,000 9,300 14,700 648,472 301,900	12/7/74	6/30/74 10/17/74	8/14/74 (9) 8/22/74 (9) 11/6/74 (9) 11/22/74(9) 4/7/75 (10) 4/23/75 (10)	9/30/74 9/30/74 12/31/74 12/31/74 6/30/75 6/30/75	N/A (12) N/A (12) N/A (12) 10/74 & 3/75 (8) 8/74
tion of handicapped ugh R&D projects	1-4	Grantee	(1)	5	9,247	617,673	2,507	92,470	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	9/74 thru 4/75 (8)
imental preschool ldhood programs for hildren	1-4	Grantee	6	13	13,330	125,000	60,000	87,000	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	10/74 5/75 (8)
ate children through onsult with guardians, . on diagnosis and d educational and rvices	1-5-4	Centers	(2)	(2)	12,000	2,000,000 (14)	4,000(14)	1,200,000(14)	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (12)
-loan service of cap- nd instructional for purchase of h use of media, and s, teachers, etc. a	1-4	Grantee	N/A (3)	N/A (3)	11,671	1,000,000	250,000	188,400	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	9/74 thru 3/75
in initiation, im- expansion of educa- ated services for ildren, preschool ary	1-2-3	SEA	57	1,500	100,000	9,279,132	150,000	1,754,400	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	8/74 11/74 2/75 4/75 thru 5/75
onal resource centers dvice and technical velop SEA capacity	1-5	Centers	N/A(3)	N/A (3)	7,087	550,000	350,000	506,200	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	2/75 (15)
y and increase ation personnel and ent and improve- g programs for rsonnel	1-4	Grantee	55	20	37,700	500,000	1,000	66,600	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/5/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (12)
ment of educational dissemination of in- rding educational or handicapped	1-4	Grantee	(2)	(2)	500	N/A (2)	N/A (2)	166,700	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (2)
xpand library ser- reas with inade- (2) handicapped or disadvantaged areas, (4) metro- rving as national ource centers	1-2	SEA	56	N/A (3)	49,155	3,945,238	44,925	876,000	12/7/74	6/30/74 10/17/74	7/31/74 (9) 10/31/74(9) 1/15/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	3/75

CATALOG OF FED. ED. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF
											HIGHEST
13.465	Library Services - Interlibrary Cooperation (LSCA - Title III)	Library Services and Construction Act (Title III)	Bureau of School Systems, Office of Library and Learning Resources	F	Provide systematic and effective coordination of library resources to improve supplementary services to special clientele served by each type of library center	1-2	SEA	56	N/A (3)	$2,594	$85,997
13.477	School Assistance in Federally Affected Areas - Construction (Impact Aid/Disaster Aid)	Public Law 815	Bureau of School Systems, Division of School Assistance in Federally Affected Areas	D	Assist construction of ~~minimum~~ school facilities in areas with substantial increases in enrollments due to new or increased federal activity	1-3	LEA	N/A (3)	10	20,000	4,491,000
13.478	School Assistance in Federally Affected Areas Maintenance and Operation (Impact Aid)	Public Law 874	Bureau of School Systems, Division of School Assistance in Federally Affected Areas	F	Compensate for cost of education in areas where enrollments are increased due to Federal activities	1-3	LEA	N/A (3)	4,500	636,016	20,000,000
13.480	School Library Resources, Textbooks, and Other Instructional Materials (Library Resources)	Elementary and Secondary Education Act (Title II)	Bureau of School Systems, Office of Library and Learning Resources	F	Provide funds to acquire school library resources, textbooks, and other printed and published instructional materials for use in elementary and secondary schools	1-2-4	SEA	56	(2)	95,250	8,826,400
13.483	Strengthening Instruction through Equipment and Minor Remodeling	National Defense Education Act of 1958 (Title III)	Bureau of School Systems, Office of Library Resources	F	Improve instruction through acquisition of laboratory and other special equipment and materials and remodeling of space for same in academic subjects	1-2-3	SEA	57	9,800	21,750	1,670,000
13.485	Strengthening State Departments of Education - Grants for Special Projects	Elementary and Secondary Education Act (Title V, Part A)	Bureau of School Systems, Division of State Assistance	D	Assist in experimentation for developing state leadership and establishing special services which contribute to solution of common problems of SEAs	1-2	SEA	23	N/A (3)	1,734	112,855
13.486	Strengthening State Departments of Education - Grants to States	Elementary and Secondary Education Act (Title V, Part A)	Bureau of School Systems, Division of State Assistance	F	Stimulate and assist strengthening leadership resources of SEAs and assist SEAs to establish and improve programs to identify and meet educational needs	1-2	SEA	56	N/A (3)	32,941	2,142,742
13.489	Teacher Corps - Operations and Training	Education Professions Development Act (Part B-1)	Office of Commissioner, Director - Teacher Corps	D	Strengthen educational opportunities available to children in areas with concentrations of low-income families	1-4	Grantee	(1)	139	37,500	355,000
13.493	Vocational Education - Basic Grants to States	Vocational Education Act of 1963 (Part B) Smith-Hughes Act	Bureau of Occupational and Adult Education, Division of Vocational and Technical Education	F	Assist in conducting vocational programs for persons of all ages in all communities who desire and need education for training for career vocations	1-2-4	SEA	56	(2)	428,139	36,673,016
13.494	Vocational Education-Consumer and Homemaking	Vocational Education Act of 1963 (Part F)	Bureau of Occupational and Adult Education, Division of Vocational and Technical Education	F	Assist states in conducting training in consumer homemaking education (emphasis - economically depressed areas or high unemployment areas)	1-2-4	SEA	56	(2)	35,994	3,082,75

ROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT ADVICE		GRANT AWARD NOTIFICATION DATE(S)
						HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	
atic and effective f library resources plementary services entele served by library center	1-2	SEA	56	N/A (3)	$2,594	$85,997	$10,060	$46,200	12/7/74	6/30/74 10/17/74	7/31/74 (9) 10/31/74(9) 1/15/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	3/75
ction of minimum ies in areas with creases in enroll- ew or increased ity	1-3	LEA	N/A (3)	10	20,000	4,491,000	75,655	1,279,600	12/27/74	6/30/74 10/17/74	7/22/74 (9) 7/29/74 (9) 8/29/74 (9) 12/20/74(9) 1/6/75 (10)	9/30/74 9/30/74 9/30/74 6/30/75 6/30/75	7/74 12/74 1/75 3/75 4/75 5/75
cost of education enrollments are to Federal activi-	1-3	LEA	N/A (3)	4,500	636,016	20,000,000	3,000	141,000	12/27/74	6/30/74 10/17/74	7/18/74 (9) 7/29/74 (9) 10/25/74(9) 11/18/74(9) 1/6/75 (10)	9/30/74 9/30/74 12/31/74 12/31/74 6/30/75	2/75 3/75 4/75 5/75 6/75
to acquire school ces, textbooks, and and published in- terials for use in secondary schools	1-2-4	SEA	56	(2)	95,250	8,826,400	69,100	1,701,000	12/27/74	6/30/74 10/17/74	7/31/74 (9) 10/31/74(9) 1/15/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	7/74 10/74 1/75 3/75
ction through acqui- ratory and other nt and materials of space for same jects	1-2-3	SEA	57	9,800	21,750	1,670,000	29,000	381,600	12/27/74	6/30/74 10/17/74	7/29/74 (9) 8/6/74 (9) 11/5/74 (9) 1/13/75 (10)	9/30/74 12/31/74 12/31/74 6/30/75	7/74 11/74 1/75
rimentation for e leadership and ecial services e to solution of of SEAs	1-2	SEA	23	N/A (3)	1,734	112,855	10,000	54,200	12/27/74	6/30/74 10/17/74	12/12/74 (9) 12/17/74 (9) 1/16/75 (10) 3/17/75 (10)	12/31/74 12/31/74 6/30/75 6/30/75	2/75 4/75
ssist strengthening urces of SEAs and establish and im- to identify and l needs	1-2	SEA	56	N/A (3)	32,941	2,142,742	75,550	588,000	12/27/74	6/30/74 10/17/74	7/29/74 (9) 11/6/74 (9) 1/16/75 (10) 3/17/75 (10) 4/7/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75 6/30/75	8/74 11/74 1/75 6/75(8)
ational opportuni- to children in entrations of low-	1-4	Grantee	(1)	139	37,500	355,000	58,000	160,900	12/7/74	6/30/74 10/17/74	7/25/74 (9) 10/28/74 (9) 1/16/75 (10)	9/30/74 12/31/74 6/30/75	8/74 6/75(8)
cting vocational rsons of all ages ies who desire and for training fo	1-2-4	SEA	56	(2)	428,139	36,673,016	67,074	7,650,000	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (2)
conducting train- homemaking educa- economically de- high unemploy-	1-2-4	SEA	56	(2)	35,994	3,082,754	10,000	640,000	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (2)

CATALOG OF FED. DO. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMINISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 76 APPROPRIATION (000'S)	RANGE OF USOE A	
											HIGHEST	L
13.495	Vocational Education - Cooperative Education	Vocational Education Act of 1963 (Part G)	Bureau of Occupational and Adult Education, Division of Vocational and Technical Education	F	Assist states conduct program of vocational education to prepare students for employment through cooperative work-study arrangements	1-2-3-4	SEA	56	(2)	$19,500	$1,038,653	
13.496	Vocational Education - Curriculum Development	Vocational Education Act of 1963 (Part I)	Bureau of Occupational and Adult Education, Division of Research and Demonstration	D	Assist SEA and LEA develop curricula for new and changing occupation, coordinate improvements in and dissemination of existing curriculum materials, and develop standards for curriculum development and train personnel	1-4	Grantee	5	(1)	1,000	183,900	
13.498	Vocational Education - Research	Vocational Education Act of 1963 (Part C)	Bureau of Occupational and Adult Education, Division of Research and Demonstration	F D	Provide research, training, and experimental development or pilot programs, and disseminate information derived from these projects	1-2-4 1-4	F: SEA D: Grantee	F 56 D 36	(2) 8	18,000(5)	F 700,000 D 552,800	
13.499	Vocational Education - Special Needs (Special Program for Disadvantaged - 102 (b))	Vocational Education Act of 1963 (Part B)	Bureau of Occupational and Adult Education, Division of Vocational and Technical Education	F	Provide vocational educational program for persons with academic, socioeconomic, or other social handicaps preventing them from succeeding in regular vocational education programs	1-2-4	SEA	56	(2)	20,000	1,712,253	
13.500	Vocational Education - State Advisory Councils	Vocational Education Act of 1963 (Part A)	Bureau of Occupational and Adult Education, Division of Vocational and Technical Education	F	Advise state board for vocational education on development and administration of state plans, evaluate vocational education programs, activities, and services, and publish results	1-5	Center	56	N/A(3)	4,316	150,000	
13.501	Vocational Education - Work Study	Vocational Education Act of 1963 (Part H)	Bureau of Occupational and Adult Education, Division of Vocational and Technical Education	F	Assist economically disadvantaged, full-time vocational education students (ages 15-20) to remain in school by providing part-time employment with public employers	1-2-3	SEA	56	(2)	9,849	946,065	
13.502	Vocational Education - Innovation (Exemplary Programs and Projects)	Vocational Education Act of 1963 (Part D)	Bureau of Occupational and Adult Education, Division of Research and Demonstration	F D	Develop, establish, and operate occupational education programs as models for vocational educational programs	F: 1-2-4 D: 1-4	F: SEA D: Grantee	F 56 D (2)	(2) (2)	16,000(5)	F 355,464 D 335,464	
13.503	Vocational Education - Personnel Development Awards (Part F)	Education Professions Development Act (Part F)	Bureau of Occupational and Adult Education, Division of Education Systems Development	D	Make awards to experienced vocational educators for up to three years graduate study in leadership development programs, and provide institutional awards for development and improvement programs to continue supply of experienced vocational educators	1-4	Grantee	(1)	(1)	9,000(16)	171,930	
13.511	Educationally Deprived Children - Special Grants for Urban and Rural Schools	Elementary and Secondary Education Act (Title I)	Bureau of School Systems, Division of Education for the Disadvantaged	F	Meet the special educational needs of educationally deprived children, with concentration on preschool and elementary programs	1-2-3	SEA	50	(2)	37,686	4,514,900	

ECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT ADVICE		GRANT AWARD NOTIFICATION DATE(S)
						HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	
program of o prepare t through y arrange-	1-2-3-4	SEA	56	(2)	$19,500	$1,038,653	(2)	$349,000	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (2)
elop curri- ing occupa- vements in xisting and develop um develop- al	1-4	Grantee	5	(1)	1,000	183,900	35,700	100,000	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	12/74 1/75 2/75 5/75
ning, and nt or pilot ate infor- ose projects	1-2-4 1-4	F: SEA D: Grantee	F 56 D 36	(2) 8	18,000(5)	F 700,000 D 552,800	12,000 12,700	126,700	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	F - N/A (2) D - 2/75 4/75 5/75 (8)
cational th academic, r social hem from vocational	1-2-4	SEA	56	(2)	20,300	1,712,253	10,000	359,000	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (2)
vocational nt and ad- plans, cation and ser- lts	1-5	Center	56	N/A(3)	4,316	150,000	50,000	77,000	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (2)
advantaged, ducation to remain part-time employers	1-2-3	SEA	56	(2)	9,849	946,065	1,441	175,500	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (2)
operate programs l educa-	F: 1-2-4 D: 1-4	F: SEA D: Grantee	F 56 D (2)	(2) (2)	16,000(5)	F 355,464 D 335,464	10,420 10,420	45,000	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	F - N/A (2) D - N/A (12)
nced voca- to three leader- ms, and wards for ment pro- y of ex- centers	1-4	Grantee	(1)	(1)	9,000(16)	171,950	9,050	(2)	12/7/74	6/30/74 10/17/74	7/25/74 (9) 11/1/74 (9) 1/24/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (12)
tional needs ed chil- n on pro- ograms	1-2-3	SEA	50	(2)	37,624	4,514,900	30,200	732,500	12/27/74	6/30/74 10/17/74	8/1/74 (9) 11/6/74(9) 2/28/75(10)	9/30/74 12/31/74 6/30/75	8/74 11/74 3/75

CATALOG OF FED. ED. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMINISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USO
											HIGHEST
13.512	Educationally Deprived Children - Special Incentive Grants	Elementary and Secondary Education Act (Title I)	Bureau of School Systems, Division of Education for the Disadvantaged	F	Provide an incentive for an increase in state and local funding for elementary and secondary education in the state	1-2-3	SEA	22	52	$13,861	$2,079,200
13.516	Preschool, Elementary and Secondary Education Special Programs and Projects (Title III, Section 306)	Elementary and Secondary Education Act (Title III, Sec. 306)	Bureau of School Systems, Division of Supplemental Centers and Services	D	Develop and operate demonstration projects promising substantial contribution to solution of critical education problems to all or several states	1-3	LEA	N/A(3)	250	16,348	400,637
13.519	Supplementary Educational Centers and Services Guidance, Counseling and Testing (PACE Projects to Advance Creativity in Education)	Elementary and Secondary Education Act (Title III, Sec. 305)	Bureau of School Systems, Division of Supplemental Centers and Services	F	Assist vitally needed educational services and local projects designed to demonstrate innovative and exemplary models meeting state's identified critical educational needs	1-2-3	SEA	56	(2)	103,652	8,049,800
13.520	Special Programs for Children with Specific Learning Disabilities (Learning Disabilities)	Education of the Handicapped Act (Part G)	Bureau for Education of Handicapped, Division of Innovation and Development	D	Establish and operate model centers to improve education of children with specific learning disabilities through research and training of educational personnel and services (demonstration) to children	1-4	Grantee	15	10	3,250	180,000
13.522	Environmental Education	Environmental Education Act	Bureau of School Systems, Division of State Assistance	D	Educate citizens on problems of environmental quality and ecological balance	1-4	Grantee	4	10	1,900	398,314
13.523	School Health and Nutrition Services for Children from Low-Income Families (School Leadership in Coordinating Health Services)	Elementary and Secondary Education Act (Sec. 808)	Bureau of School Systems, Division of Drug Education, Nutrition, and Health Programs	D	Demonstrate ways to organize system of comprehensive health and educational services through effective coordination of existing resources	1-4	Grantee	(1)	3	900	362,098
13.525	Emergency School Aid Act - Basic Grants to Local Educational Agencies	Emergency School Aid Act (Sec. 706(a))	Bureau of School Systems, Associate Commissioner For Equal Educational Opportunity Programs	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-3	LEA	N/A(7)	N/A(7)		N/A (7)
13.526	Emergency School Aid Act - Pilot Programs	Education Amendments of 1972	Bureau of School Systems, Associate Commissioner for Equal Educational Opportunity Programs	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-3	LEA	N/A(7)	N/A(7)		N/A (7)
13.527	Emergency School Aid Act - Metropolitan Area Projects	Education Amendments of 1972	Bureau of School Systems, Associate Commissioner for Equal Educational Opportunity Programs	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-4	Grantee	N/A(7)	N/A(7)		N/A (7)
13.528	Emergency School Aid Act - Bilingual Education Projects	Education Amendments of 1972	Bureau of School Systems, Associate Commissioner for Equal Educational Opportunities Programs	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-4	Grantee	N/A(7)	N/A(7)		N/A (7)

OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT ADVICE		GRANT AWARD NOTIFICATION DATE(S)
						HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	
for an in- local funding econdary edu-	1-2-3	SEA	22	52	$13,861	$2,079,200	$35,400	$630,000	12/27/74	6/30/74 10/17/74	8/1/74 (9) 11/6/74(9) 2/28/75(10)	9/30/74 12/31/74 6/30/75	8/74 11/74 3/75
demonstration ubstantial tion of crit- lems to all or	1-3	LEA	N/A(3)	250	16,348	400,637	2,630	61,700	12/27/74	6/30/74 10/17/74	7/29/74 (9) 11/6/74 (9) 1/14/75 (10)	9/30/74 12/31/74 6/30/75	N/A (12)
d educational rojects de- e innovative meeting ritical edu-	1-2-3	SEA	56	(2)	103,652	8,049,800	50,000	1,851,000	12/27/74	6/30/74 10/17/74	7/29/74 (9) 8/9/74 (9) 11/6/74 (9) 11/12/74(9) 1/13/75 (10) 1/14/75 (10)	9/30/74 9/30/74 12/31/74 12/31/74 6/30/75 6/30/75	N/A (12)
e model con- ation of ic learning research and nal personnel tration) to	1-4	Grantee	15	10	3,250	180,000	85,000	104,800	12/27/74	6/30/74 10/17/74	7/31/74 (9) 11/6/74 (9) 1/27/75 (10) 3/17/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	N/A (12)
problems of y and ecologi-	1-4	Grantee	4	10	1,900	398,314	795	25,000	12/7/74	N/A	1/14/75 (10)	6/30/75	5/75 (8)
organize sys- health and through n of existing	1-4	Grantee	(1)	3	900	362,098	256,728	300,000	12/27/74	6/30/74 10/17/74	1/14/75 (10)	6/30/75	4/75
, reducing, y-group iso- children disadvantages lation	1-3	LEA	N/A(7)	N/A(7)		N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A	N/A (7)
, reducing, y-group iso- children disadvantages lation	1-3	LEA	N/A(7)	N/A(7)		N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A	N/A (7)
, reducing, y-group iso- children disadvantages lation	1-4	Grantee	N/A(7)	N/A(7)		N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A	N/A (7)
, reducing, y-group iso- children isadvantages lation	1-4	Grantee	N/A(7)	N/A(7)		N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A	N/A (7)

CATALOG OF FED. ED. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE A
											HIGHEST
13.529	Emergency School Aid Act - Special Programs and Projections	Elementary and Secondary Education Amendments of 1966	Bureau of School Systems, Associate Commissioner for Equal Educational Opportunity Programs	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-4	Grantee	N/A (7)	N/A (7)		N/A (7)
13.530	Emergency School Aid Act - Educational Television	Education Amendments of 1972	Bureau of School Systems, Associate Commissioner for Equal Educational Opportunity Programs	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-4	Grantee	N/A (7)	N/A (7)		N/A (7)
13.531	Emergency School Aid Act - Evaluation	Emergency School Aid Act (Sec. 713)	Office of Planning; Office of Planning, Budgeting and Evaluation	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-4	Grantee	(1)	(1)	500(4)	N/A (7)
13.532	Emergency School Aid Act - Special Programs	Emergency School Aid Act (Sec. 708 (a))	Bureau of School Systems, Associate Commissioner for Equal Educational Opportunity Programs	D	Assist in eliminating, reducing, or preventing minority-group isolation and aid school children overcome educational disadvantages of minority-group isolation	1-4	Grantee	N/A (7)	N/A (7)	3,154(4)	N/A (7)
13.533	National Reading Improvement Program (Right to Read)	Education Amendments of 1974 (Title VII)	Office of the Commissioner, Director for Right to Read	D	Provide facilitating services and resources to stimulate improvement and expansion of activities related to reading	1-4	Grantee	50	35	12,000	100,000
13.534	Indian Education-Grants to LEAs (Part A)	Indian Education Act (Part A)	Office of the Commissioner, Office of Indian Education	F D	Aid LEAs develop and execute elementary and secondary school programs specially designed for special educational needs of Indian children	F: 1-3 D: 1-4	F: LEA D: Grantee	F N/A (3) D N/A (3)	844 N/A (3)	F 22,500 D 2,500	F 836,600 D 160,000
13.535	Indian Education - Special Programs and Projects (Part B)	Indian Education Act (Part B)	Office of the Commissioner, Office of Indian Education	D	Support and/or provide projects to (1) test and demonstrate effectiveness of programs, (2) provide services not available, and (3) support training programs for personnel teaching Indian children	1-4	Grantee	(1)	2	12,000	400,000
13.536	Indian Education - Adult Education (Part C)	Indian Education Act (Part C)	Office of the Commissioner, Office of Indian Education	D	Support planning pilot and demonstration projects designed to plan, test, and demonstrate effectiveness of programs for providing adult education for Indians	1-4	Grantee	(1)	(1)	3,000	195,000
13.542	Strengthening State Departments of Education Comprehensive Planning and Evaluation	Elementary and Secondary Education Act (Title V, Part C)	Bureau of School Systems, Division of State Assistance	F	Assist and stimulate enhancement of capabilities to make effective progress toward achievement of opportunities for high-quality education for all segments of population through comprehensive and continuing planning and evaluation	1-2	SEA	56	(2)	4,750	310,312
13.554	Special Projects Act - Career Education	Special Projects Act	Office of Commissioner, Office of Career Education	D	Demonstrate effective methods and techniques in career education and develop exemplary career educational models, including models in which children receive career education	1-4	Grantee	12	52	10,000	250,000

	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT ADVICE		GRANT AWARD NOTIFICATION DATE(S)
						HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	
cing, iso- ren ntages	1-4	Grantee	N/A (7)	N/A (7)		N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A	N/A (7)
cing, iso- ren ntages	1-4	Grantee	N/A (7)	N/A (7)		N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	N/A	N/A (7)
ing, iso- en ntages	1-4	Grantee	(1)	(1)	500(4)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	6/30/74 10/17/74 12/31/74 3/14/75	7/12/74 (9) 11/12/74 (9)	9/30/74 11/30/74	3/75 (8)
ing, iso- n ntages	1-4	Grantee	N/A (7)	N/A (7)	3,154(4)	N/A (7)	N/A (7)	N/A (7)	N/A (7)	6/30/74 10/17/74 12/31/74 3/14/75	7/12/74 (9) 11/12/74 (9)	9/30/74 11/30/74	12/74 1/75 3/75 (8)
and e- ies	1-4	Grantee	50	35	12,000	100,000	11,000	55,000	12/7/74	6/30/74 10/17/74	8/8/74 (9) 11/6/74 (9) 1/14/75 (10) 4/24/75 (10)	9/30/74 12/31/74 6/30/75 6/30/75	9/74 (13) (8)
ele- or In-	F: 1-3 D: 1-4	F: LEA D: Grantee	F N/A (3) D N/A (3)	844 N/A (3)	F 22,500 D 2,500	F 836,600 D 160,000	900 50,000	F 26,000 D 100,000	8/31/74	6/30/74	12/31/74 (10)	6/30/75	F N/A (12) D N/A (12)
ts f- pro- nd for ldren	1-4	Grantee	(1)	2	12,000	400,000	5,700	75,000	8/31/74	6/30/74	12/31/74 (10)	6/30/75	N/A (12)
on- fec- lding	1-4	Grantee	(1)	(1)	3,000	195,000	20,615	56,600	8/31/74	6/30/74	12/31/74 (10)	6/30/75	N/A (12)
nt ive ve al-	1-2	SEA	56	(2)	4,750	310,312	7,665	84,800	12/27/74	6/30/74 10/17/74	7/29/74 (9) 8/6/74 (9) 11/5/74 (10) 1/13/75 (10)	9/30/74 12/31/74 12/31/74 6/30/75	3/75 4/75
nd e	1-4	Grantee	12	52	10,000	250,000	5,000	125,000	12/7/74	N/A	1/30/75 (10)	6/30/75	N/A (12)

CATALOG OF FED. ED. ASSISTANCE PROGRAM NO.	PROGRAM NAME	LEGISLATIVE AUTHORIZATION	USOE PROGRAMMATIC RESPONSIBILITY	TYPE OF GRANT (SEE KEY)	MAJOR PROGRAM OBJECTIVES	FUNDING FLOW (SEE KEY)	ADMINISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATIONS (000'S)
13.558	Vocational Education (VEA Part J)	Vocational Education Act of 1963 (Part J)	Bureau of Occupational and Adult Education, Division of Research and Demonstration	D	Provide bilingual vocational training	1-4	Grantee	1	7	$2,800

ECTIVES	FUNDING FLOW (SEE KEY)	ADMIN-ISTERED BY	NO. OF SEAS	NO. OF LEAS	TOTAL FY 75 APPROPRIATION (000'S)	RANGE OF USOE AWARDS		AVERAGE USOE AWARD	APPRO-PRIATION DATE	CONTINUING RESOLUTION DATE(S)	USOE ALLOTMENT NOTICE		GRANT AWARD NOTIFICATION DATE(S)
						HIGHEST	LOWEST				DATED	FOR PERIOD JULY 1, 1974 TO	
cational	1-4	Grantee	1	7	$2,800	$350,000	$15,000	$140,000	12/27/74	N/A	5/24/75 (10)	6/30/75	N/A (12)

Page 7 of 7

NOTES TO CATALOG

1. No grants have been awarded to this level.
2. Data were not available at USOE in Washington, D.C.
3. Data do not apply to this program.
4. Appropriation Act not yet approved; funding against continuing resolution.
5. Half for formula funding, half for discretionary funding.
6. Excludes $730 for which the fiscal year 1976 funding is included under the salary and expense budget for USOE.
7. These data do not apply in absence of funding.
8. Some award notifications are still to be issued.
9. Based upon continuing resolution.
10. Based upon appropriation.
11. Only one award.
12. No award notifications have been issued.
13. Dates actually scattered through fiscal year. These are primary dates.
14. Fiscal year 1974 data which are expected to be comparable to fiscal year 1975.
15. Funding was defined in contracts subject to appropriation.
16. Of this amount, $6, 633 will be awarded by DHEW regional offices.

EXHIBIT 1

DEFINITIONS

CENTER: as defined for the program, for example, Regional Resource Center, State Advisory Council.

DISCRETIONARY FUNDS: grants and/or contracts awarded to recipients who are not specifically identified in legislation and for which the level of funding may be determined by either formula or judgment.

FORMULA FUNDS: grants and/or contracts awarded to recipients who are specifically identified by legislation and the amount available to any one recipient is determined by a formula (which may include a minimum and/or maximum level of funding).

GRANTEE: any legal recipient of funds, whether by grant or contract, including SEA and/or LEA, and any or all of the following: institutions of higher education, public or private agencies, institutions or organizations.

LEA: Local Education Agency

SEA: State Education Agency

USOE: U.S. Office of Education

EXHIBIT 2

FUNDING FLOW

1. U.S. Office of Education
2. State Education Agency
3. Local Education Agency
4. Grantee
5. Center

TYPE OF GRANT

F = Formula

D = Discretionary

EXHIBIT 3

CROSS-REFERENCE OF APPROPRIATION ACT AND CONTINUING RESOLUTION DATES TO PUBLIC LAWS

	Approved	Public Law
I. Appropriaton Acts	August 31, 1974	93-404
	December 7, 1974	93-517
	December 27, 1974	93-554
II. Continuing Resolutions	June 30, 1974	93-324
	October 17, 1974	93-448
	December 31, 1974	93-570
	March 14, 1975	94-7

APPENDIX B

TELEPHONE INTERVIEW GUIDES

OMB# 51-S 75047
December 1975
Reviewed by CEIS

TELEPHONE INTERVIEW GUIDE

OFFICE OF EDUCATION - DHEW

A STUDY OF LATE FUNDING OF ELEMENTARY AND SECONDARY FEDERAL EDUCATION PROGRAMS AND THE IMPACT ON STATE EDUCATIONAL AGENCIES

Interviewer ______________________

Date ______________________

Telephone Interview ____________
Site Visit ____________

Person(s) Interviewed and Position:

Name	Position	Telephone Number

I. IDENTIFICATION AND BASIC DATA (from available USOE data)

A. State Education Agency

1. Name

2. Location

3. DHEW Region

4. Approximate Elementary and Secondary Pupil Population ____________
(as reported to OE for Fall 1974)

5. Number of Local Education Agencies (Districts) in State __________

II. BASIC FISCAL AND PROGRAM DATA (Based upon Revised Handbook II Definitions)

A. 1974-75 Total State and Federal Funds for Elementary and Secondary Education $____________

Dates of your Fiscal Year ________________

II. BASIC FISCAL AND PROGRAM DATA (continued)

B. Federal Fund Allocations, Awards, or Entitlements in 1974-75.

1. From Office of Education

(a) Amount $________

(b) As Percent of Total Budget (II-A) ________%

2. From Other Federal Sources

(a) Amount $________

(b) As Percent of Total Budget (II-A) ________%

C. Major U.S. Office of Education Programs and Funding.

Identify at least Title I and the next two largest formula or discretionary state administered programs. In addition, please identify and asterick all USOE funded programs which you believe were programmatically or administratively hampered by late Federal funding.

Program	1974-75 Amount of Federal Money Received by State	1974-75 Amount of Federal Money Awarded to LEAs	Number of LEAs which Received Awards
ESEA Title I			

III. TIMING: For each program listed in II-C, please identify the month(s) in which each of the following major program activities occurred.

Program Title ______________________

	FY 1974												FY 1975											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
A. Proposal or Application Data Submitted to OE																								
B. Notice of Grant Award or Allocation Received																								
C. Preliminary Approval Notices to LEA Issued*																								
D. Final Notices of Grant Award or Allocation to LEAs Issued*																								

Program Title ______________________

	FY 1974												FY 1975											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
A. Proposal or Application Data Submitted to OE																								
B. Notice of Grant Award or Allocation Received																								
C. Preliminary Approval Notices to LEA Issued*																								
D. Final Notices of Grant Award or Allocation to LEAs Issued*																								

Program Title ______________________

	FY 1974												FY 1975											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
A. Proposal or Application Data Submitted to OE																								
B. Notice of Grant Award or Allocation Received																								
C. Preliminary Approval Notices to LEA Issued*																								
D. Final Notices of Grant Award or Allocation to LEAs Issued*																								

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* If applicable.

IV. INITIATION OF ACTIVITIES

Often, state education departments and school districts may initiate activities with respect to a Federally funded program - even before final notifications of grant approval or delineation - or before notification of the actual amount to be received (as in Title I). For each program previously identified in II.C, please describe which, if any, of the following administrative actions occur and when they occurred, according to the following:

Key:
1. All actions prior to notification.
2. Limited actions based upon anticipated funding.
3. No actions taken until final approval and allocation.

Program*	Allocation to School Districts	Curriculum Planning	Budget Planning	Hiring	Purchasing	Program Implementation

*For programs primarily implemented by the LEA, this reflects the SEA assessment of the situation; for SEA implemented programs, this reflects the policies and activities of the SEA.

V. EVALUATION OF IMPACT

For the following administrative and program areas, evaluate whether the problems created by late federal funding are:

Non-existent or minimal, and therefore do not affect district educational operations significantly.

Tolerable - while problems exist, no major difficulties or can readily adjust to any problems.

Severe - major negative impact on program performance or administrative management.

Your assessment should reflect your judgment of the late funding impact on both the SEA or the LEAs in your state.

A. Curriculum and Program Planning and Implementation	Problem Severity	
	To the SEA	To the LEAs
1. Personnel Recruiting	________	________
2. Personnel Retention	________	________
3. Purchasing - program supplies and equipment	________	________
4. Delays in Program Implementation	________	________
5. Program Effectiveness (in terms of state objectives)	________	________
6. Facilities	________	________
7. Coordination with Other Organizations	________	________

V. EVALUATION OF IMPACT (continued)

	Problem Severity To the SEA	Problem Severity To the LEAs
B. **Financial Management**		
1. Budget Preparation: Income Estimates	____	____
Expenditures Estimates	____	____
2. Cash Management and Flow	____	____
3. Expenditure Control	____	____
4. Accounting	____	____
5. Reporting	____	____
C. **Community Impact**		
1. Community Involvement	____	____
2. Community Expectations	____	____
D. **Data Collection Requirements** for grant application or proposal and reporting.	____	____

E. Please give examples of a severe problem created by delays in notification of Federal program funds.

F. Please give examples of actions, if any, taken by the state to try to compensate for or minimize the late funding problems previously identified.

VI. COMMENTS AND RECOMMENDATIONS

A. What impact, if any, will advance funding have on your administrative and programmatic problems?

B. What impact, if any, has carryover of funds provisions had on your administrative and programmatic problems?

C. Do you foresee any problems with the new Federal fiscal year (October 1 to September 30), effective October 1, 1976?

D. What changes in Federal education policy would minimize the problems created by late Federal funds in your state?

1. Earlier notification? By how much?
2. A different schedule for Title I?

   What schedule would you prefer?
3. Fewer revisions in amounts?
4. Other (specify)

OMB# 51-S 75047
December 1975
Reviewed by CEIS

TELEPHONE INTERVIEW GUIDE

OFFICE OF EDUCATION - DHEW

A STUDY OF LATE FUNDING OF ELEMENTARY AND SECONDARY FEDERAL EDUCATION PROGRAMS AND THE IMPACT ON LOCAL EDUCATIONAL AGENCIES

Interviewer ______________________

Date ______________

Telephone Interview ____________
Site Visit ____________

Person(s) Interviewed and Position:

Name	Position	Telephone Number

I. IDENTIFICATION AND BASIC DATA (from available USOE data)

A. Local Education Agency

1. Name ______________________________
2. Location ______________________________
3. DHEW Region ______________________________
4. Congressional District(s) ________ ________ ________
5. Rural _____ Urban _____ Suburban _____
6. Size of School District - Approximate Pupil Population ________ (as reported to OE for Fall 1974)

II. BASIC FISCAL AND PROGRAM DATA (Based upon Revised Handbook II Definition)

A. 1974-75 District Budget $______________

What are the dates of your fiscal Year? ______________

II. BASIC FISCAL AND PROGRAM DATA (continued)

B. Federal Fund Allocations or Awards in 1974-75 from Office of Education

1. Amount $________________

2. As % of Total Budget ________________%

C. Major Office of Education Federal Programs and Funding. Identify at least Title I and the next two largest formula or discretionary groups. In particular, please identify all USOE funded programs which you believe were programmatically or administratively hampered by late federal funding.

Program	1974-75 Amount of Federal Money
1. ESEA Title I	

III. TIMING: For each major program listed in II-C, please identify the month(s) when each of the following major program activities occurred.

Program Title ______________________

	FY 1974												FY 1975											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
A. Proposal or Application Data Submitted																								
B. Preliminary Approval Notice																								
C. Notice of Grant Award or Allocation																								
D. Revised Amount of Grant Award or Allocation																								

Program Title ______________________

	FY 1974												FY 1975											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
A. Proposal or Application Data Submitted																								
B. Preliminary Approval Notice																								
C. Notice of Grant Award or Allocation																								
D. Revised Amount of Grant Award or Allocation																								

Program Title ______________________

	FY 1974												FY 1975											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
A. Proposal or Application Data Submitted																								
B. Preliminary Approval Notice																								
C. Notice of Grant Award or Allocation																								
D. Revised Amount of Grant Award or Allocation																								

IV. INITIATION OF ACTIVITIES

Often school districts may initiate activities with respect to a Federally funded program - even before final notification of grant approval or allocation - or before notification of the actual amount to be received (as in Title I). For each major program previously identified in II-C, please describe which, if any, of the following administrative actions occur and when they occurred according to the following key:

Key:
1. All actions prior to notification.
2. Limited actions based upon anticipated funding.
3. No actions taken until final approval and allocation.

Program	Curriculum Planning	Budget Planning	Hiring	Purchasing	Program Implementation
ESEA Title I					

V. EVALUATION OF IMPACT - FOR THE FOLLOWING ADMINISTRATIVE AND PROGRAM AREAS, EVALUATE WHETHER THE PROBLEMS CREATED BY LATE FEDERAL FUNDING ARE:

Non-existent or minimal, and therefore do not affect district educational operations significantly.

Tolerable - while problems exist, no major difficulties or can readily adjust to any problems.

Severe - major negative impact on program performance or administrative management.

A. Curriculum and Program Planning and Implementation — Problem Severity

1. Personnel Recruiting ________

2. Personnel Retention ________

3. Purchasing - program supplies and equipment ________

4. Delays in Program Implementation ________

5. Program Effectiveness (in terms of stated objectives) ________

6. Facilities ________

7. Coordination with Other Organizations ________

B. Financial Management

1. Budget Preparation ________
   Income estimates ________
   Expenditure estimates ________

2. Cash Management and Flow ________

3. Expenditure Control ________

4. Accounting ________

5. Reporting ________

C. Community Impact

1. Community involvement ________

2. Community expectations ________

D. Data Collection Requirements for grant application or proposal and reporting. ________

V. EVALUATION OF IMPACT (continued)

E. Please give examples of a severe problem created by delays in notification of Federal program funds.

F. Please give examples of actions taken by the school district to try to compensate for or minimize the late funding problems previously identified.

VI. COMMENTS AND RECOMMENDATIONS

A. What impact, if any, will advance funding have on your administrative and programmatic problems?

B. What impact, if any, has carryover of funds provisions had on your administrative and programmatic problems?

C. Do you foresee any problems with the new Federal fiscal year (October 1 to September 30), effective October 1, 1976?

D. What changes in Federal education policy would minimize the problems created by late Federal funds in your district?

1. Earlier notification? By how much?
2. A different schedule for Title I? What schedule would you prefer?
3. Fewer revisions in amounts?
4. Other (specify)

ACKNOWLEDGMENTS

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